Form 3160-3 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0136 Expires July 31, 2010

5. Lease Serial No. UTU0281

APPLICATION FOR PERMIT TO DRILL OR REENTER	Г	6. I	f Indian,	Allottee	or Tribe	Name

1a. Type of Work: DRILL REENTER			7. If Unit or CA Agreement, N CHAPITA WELLS UN	
1b. Type of Well: ☐ Oil Well ☑ Gas Well ☐ Oth	er 🔀 Singi	le Zone	8. Lease Name and Well No. CHAPITA WELLS UNIT	741-03
	MARY A. MAESTA aestas@eogresources.co		9. API Well No. 43-047	-39937
3a. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202	3b. Phone No. (includ Ph: 303-824-5526		10. Field and Pool, or Explora NATURAL BUTTES/V	
4. Location of Well (Report location clearly and in accorda	nce with any State requi	rements.*)	11. Sec., T., R., M., or Blk. an	d Survey or Area
At surface SWSW 868FSL 503FWL 4	0.06019 N Lat, 109.	43377 W Lon	Sec 3 T9S R22E Mer	SLB
At proposed prod. zone SWSW 868FSL 503FWL 4	0.06019 N Lat, 109.	43377 W Lon		
14. Distance in miles and direction from nearest town or post of 47.5 MILES SOUTH OF VERNAL, UT	office*		12. County or Parish UINTAH COUNTY	13. State UT
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig, unit line, if any)	16. No. of Acres in La	ease	17. Spacing Unit dedicated to	this well
503'	2558.00	:		
18. Distance from proposed location to nearest well, drilling,	19. Proposed Depth		20. BLM/BIA Bond No. on fi	le
completed, applied for, on this lease, ft. 1210	7850 MD		NM2308	
21. Elevations (Show whether DF, KB, RT, GL, etc. 4766 GL	22. Approximate date	work will start	23. Estimated duration 45 DAYS	
	24. Atta	achments		
The following, completed in accordance with the requirements of	f Onshore Oil and Gas O	order No. 1, shall be attached to the	his form:	
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest Systems SUPO shall be filed with the appropriate Forest Service Offensor 	em Lands, the lice).	Item 20 above). 5. Operator certification	ns unless covered by an existing ormation and/or plans as may be	
25. Signature (Electronic Submission)	Name (Printed/Typed) MARY A. MAES	STAS Ph: 303-824-5526		Date 02/01/2008
Title REGULATORY ASSISTANT				
Approved by (Signature)	Name (Printed/Typed)	DLEY G. HILL		Date 07-11-08
Title		NMENTAL MANAGER		
Application approval does not warrant or certify the applicant ho operations thereon. Conditions of approval, if any, are attached.	lds legal or equitable titl	e to those rights in the subject lea	ase which would entitle the appli	icant to conduct
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, r States any false, fictitious or fraudulent statements or representat	nake it a crime for any p ions as to any matter wit	erson knowingly and willfully to hin its jurisdiction.	make to any department or ager	ncy of the United

Additional Operator Remarks (see next page)

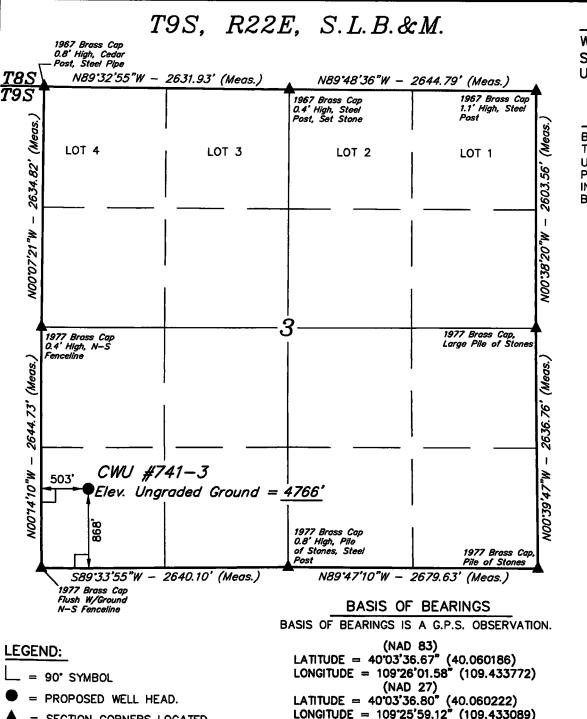
Electronic Submission #58389 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal
FEB 0.4 2008

Federal Approval of this Action is Necessary

DIV. OF OIL, GAS & MINING

633640X 44354057 40.060198 -109.433084

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **



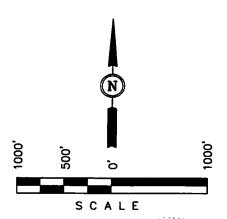
= SECTION CORNERS LOCATED.

EOG RESOURCES. INC.

Well location, CWU #741-3, located as shown in the SW 1/4 SW 1/4 of Section 3, T9S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35. TBS, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE. UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.



Dinishing the CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF

> REGISTERED LAND SURVEYOR REGISTRATION NO. 161319 STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017

1" = 1000'	I I I	DRAWN: 2-12-07
PARTY C.R. C.P. L	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE EOG RESOURCES, IN	NC.

CHAPITA WELLS UNIT 741-03 SW/SW, SEC. 3, T9S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,974		Shale	
Wasatch	5,036	Primary	Sandstone	Gas
Chapita Wells	5,656	Primary	Sandstone	Gas
Buck Canyon	6,353	Primary	Sandstone	Gas
North Horn	6,999	Primary	Sandstone	Gas
KMV Price River	7,648		Sandstone	
			·	
TD	7,850			

Estimated TD: 7,850' or 200'± TD

Anticipated BHP: 4,286 Psig

- 1. Fresh Waters may exist in the upper, approximately 1,000 ft \pm of the Green River Formation, with top at about 2,000 ft \pm .
- 2. Cement isolation is installed to surface of the well isolating all zones by cement.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig

BOP schematic diagrams attached.

4. CASING PROGRAM:

<u>Tensile</u>	<u>Factor</u> <u>Burst</u>	Rating Collapse	<u>Thread</u>	<u>Grade</u>	<u>WEIGHT</u>	<u>Size</u>	<u>Length</u>	<u>Hole</u> Size	CASING
I 322,000#	1730 PSI	770 PSI	STC	H-40	48.0#	13 3/8"	0 – 45'	17 1/2"	Conductor
i 394,000#	3520 Psi	2020 PSI	STC	J-55	36.0#	9-5/8"	0 – 2,300° KB±	12 1/4"	Surface
i 233,000#	7780 Psi	6350 PSI	LTC	N-80	11.6#	4-1/2"	Surface – TD	7-7/8"	Production
-									

Note: 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5%" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

<u>EIGHT POINT PLAN</u>

CHAPITA WELLS UNIT 741-03 SW/SW, SEC. 3, T9S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0'- 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-1/2", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

<u>Production Hole Procedure (2300' \pm - TD):</u> Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'±-TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 1

Onshore Oil and Gas Order No. 2 – Section E: Special Drilling Operations

CHAPITA WELLS UNIT 741-03 SW/SW, SEC. 3, T9S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

- EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
- EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by water mist.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
- EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD.

Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following:

Cement Bond / Casing Collar Locator and Pulsed Neutron

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead: 185 sks Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCI₂, 3 lb/sx GR3

1/4 #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

Tail: 207 sks Class "G" cement with 2% CaCI₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2

gps water.

Top Out: As necessary with Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18

ft³/sk., 5.2 gps water.

Note: Cement volumes will be calculated to bring lead cement to surface and tail cement to

500'above the casing shoe.

Production Hole Procedure (2300'± - TD)

Lead: 157 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44

(Salt),0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29

(cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

CHAPITA WELLS UNIT 741-03 SW/SW, SEC. 3, T9S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

Tail:

579 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13

(Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at

14.1 ppg, 1.28 ft³/sk., 5.9gps water.

Note:

The above number of sacks is based on gauge-hole calculation.

Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe. Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

Final Cement volumes will be based upon gauge-hole plus 45% excess.

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

13. AIR DRILLING OPERATIONS:

- Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.

CHAPITA WELLS UNIT 741-03 SW/SW, SEC. 3, T9S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

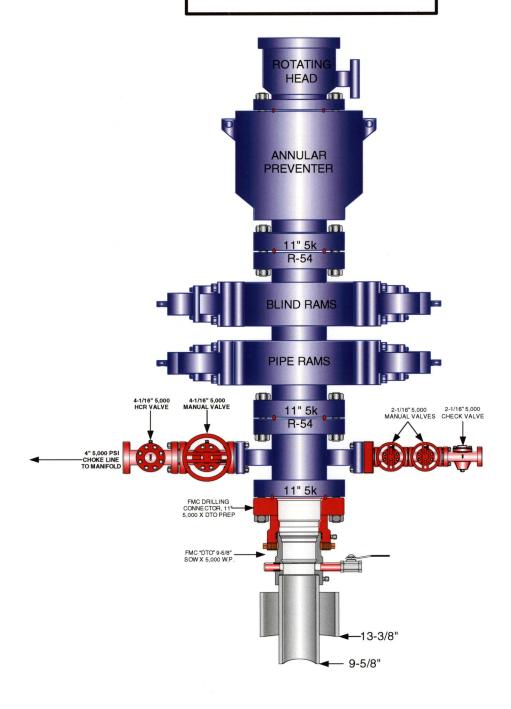
- Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
- The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
- Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.

EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

(Attachment: BOP Schematic Diagram)

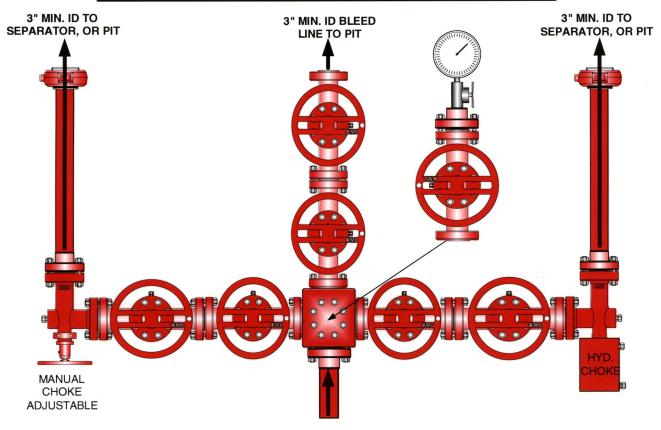
EOG RESOURCES 11" 5,000 PSI W.P. BOP CONFIGURATION

PAGE 1 OF 2



EOG RESOURCES CHOKE MANIFOLD CONFIGURATION W/ 5,000 PSI WP VALVES

PAGE 2 0F 2



4" 5,000 PSI CHOKE LINE FROM HCR VALVE

Testing Procedure:

- 1. BOP will be tested with a professional tester to conform to Onshore Order #2.
- 2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
- 3. Annular Preventer will be tested to 50% working pressure, 2,500 psi. Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, whichever is greater.
- 4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
- 5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.



Chapita Wells Unit 741-03 SWSW, Section 3, T9S, R22E Uintah County, Utah

SURFACE USE PLAN

The well pad is approximately 375 feet long with a 261-foot width, containing 2.25 acres more or less. The well access road re-route is approximately 200 feet long with a 40-foot right-of-way, disturbing approximately .18 acre. New surface disturbance associated with the well pad and access road is estimated to be 2.43 acres.

1. Existing Roads:

- A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 47.5 miles south of Vernal, Utah See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

2. PLANNED ACCESS ROAD:

- A. The access road will be approximately 200' in length, with culverts installed as construction dictates. See attached Topo B.
- B. The access road has a 40-foot ROW w/18 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.
- I. A 40-foot permanent right-of-way is requested. No surfacing material will be used.

J. No additional storage areas will be needed for storing equipment, stockpiling, or vehicle parking.

All travel will be confined to existing access road rights-of-way.

New or reconstructed roads will be centerlined – flagged at time of location staking. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction.

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 40-foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the roadbed block the drainages. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around then avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

Traveling off the 40-foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

An off-lease right-of-way is not required. The entire length of the proposed access road re-route is located within Federal Lease # U-0281. The portion of the existing access road not needed for production will be reclaimed and reseeded with the interim seed mix.

3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS:

See attached TOPO map "C" for the location of wells within a one-mile radius.

4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:

A. On Well Pad

- Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400-bbl vertical tanks and attaching piping.
- 2. Gas gathering lines A 4" gathering line will be buried from dehy to the edge of the location.

B. Off Well Pad

1. No new off-pad pipeline will be required. The existing pipeline for the Chapita Wells Unit 606-03F will be used to transport gas from the proposed location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. All facilities will be painted with Carlsbad Canyon or Covert Green. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. Water supply will be Bonanza Power Plant water source in Sec 26, T8S, R23E, Uintah County, UT (State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. Source of Construction Materials:

- A. All construction material for this pipeline will be of native borrow and soil accumulated during the construction of the location.
- B. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL:

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.

- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30N SWD, CWU 2-29 SWD, Red Wash Evaporation ponds 1, 2, 3 or 4 or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
- 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit, through natural or artificial methods, or removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt, and a 16-millimeter plastic liner. Sufficient bedding (i.e. weed free straw, or hay; felt; polyswell or soil) will be used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing or completion of the well.

8. ANCILLARY FACILITIES:

None anticipated.

9. WELL SITE LAYOUT:

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the south corner of the location. The flare pit will be located downwind of the prevailing wind direction on the southwest side of the location, a minimum of 100 feet from the wellhead and 30 feet from the reserve pit fence.

The stockpiled pit topsoil (first six inches) will be stored separate from the location topsoil northeast of corner #1. The stockpiled location topsoil will be stored in a location providing easy access for interim reclamation and protection of the topsoil. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the west.

A diversion ditch shall be constructed on the north side of the location.

The corners of the well pad will be rounded off as needed to minimize excavation.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.

E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. Interim Reclamation (Producing Location)

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of the well completion, or as soon as environmental conditions allow. Before any dirt takes place, the reserve pit must be completely dry and free of all foreign obstacles.

The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
HyCrest Wheatgrass	9.0
Prostrate Kochia	3.0

^{*}Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

B. Dry Hole/Abandoned Location

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriated surface rehabilitation conditions of approval.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Gardner Saltbush	3.0
Shadscale	3.0
Indian Ricegrass	2.0
HyCrest Wheatgrass	1.0

^{*}Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

11. SURFACE OWNERSHIP:

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

Bureau of Land Management

12. OTHER INFORMATION:

- A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:
 - Whether the materials appear eligible for the National Register of Historic Places:
 - The mitigation measures the operator will likely have to undertake before the site can be used.

 A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application or herbicides or other pesticides or possible hazardous chemicals.
- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)
- D. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A block cultural resources survey for Section 3, T9S, R22E was conducted and submitted by Montgomery Archaeological Consultants on 4/16/2007. A paleontological survey was conducted and will be submitted by Intermountain Paleo.

Additional Surface Stipulations:

None.

LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

PERMITTING AGENT

Mary A. Maestas EOG Resources, Inc. 1060 East Highway 40 Vernal, UT 84078 (435) 781-9111

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

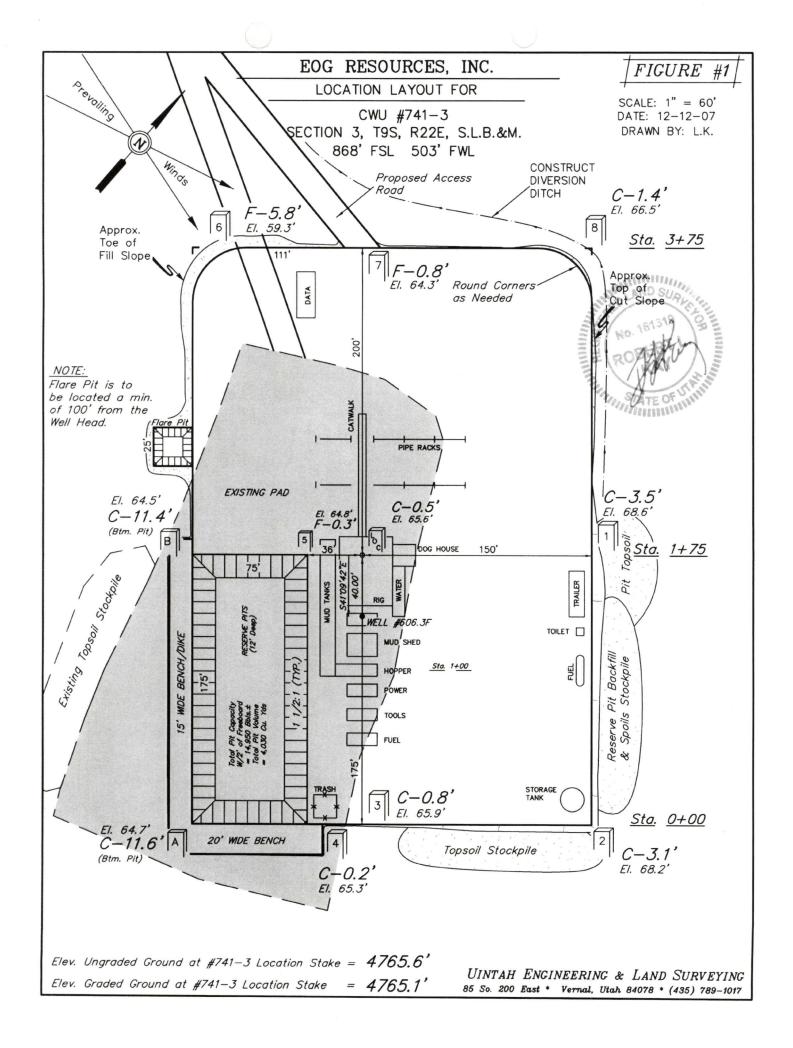
The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

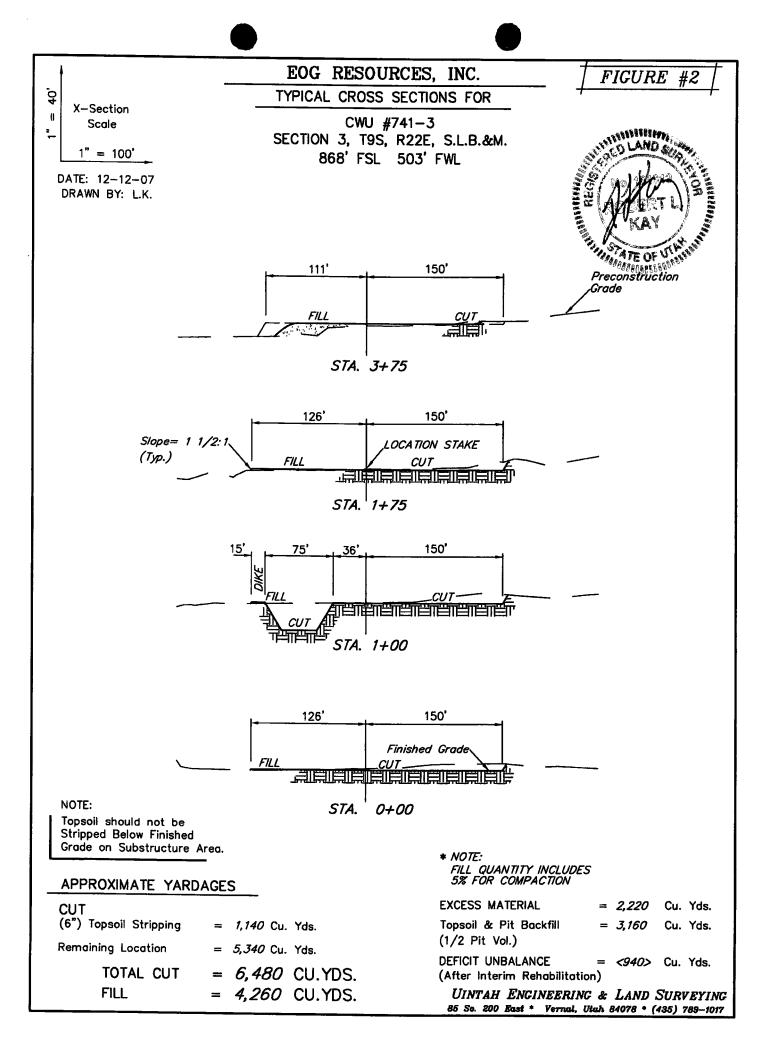
CERTIFICATION:

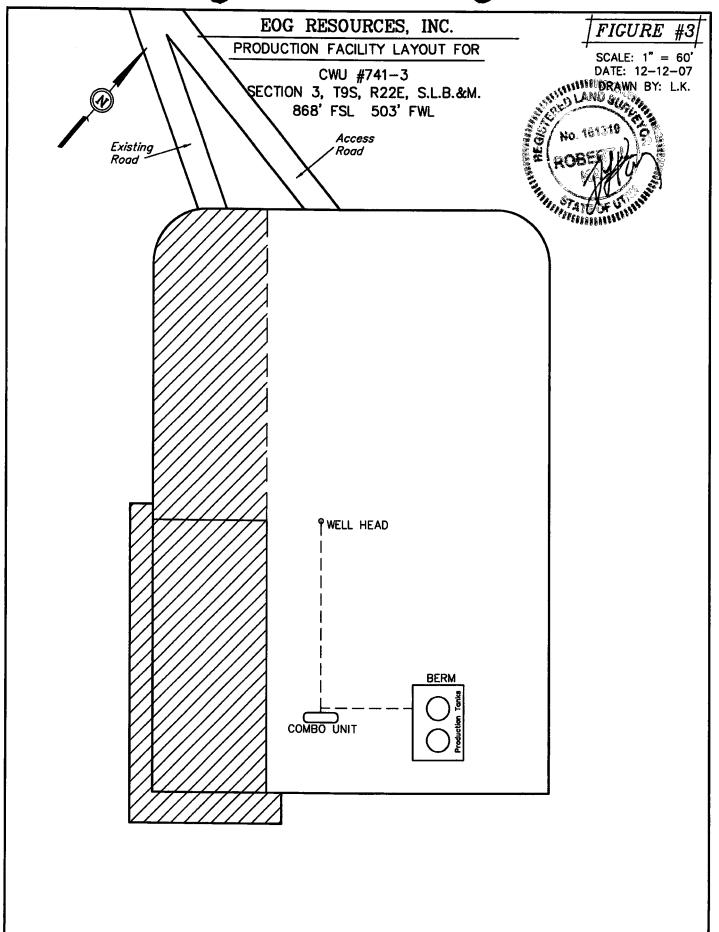
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the Chapita Wells Unit 741-03 Well, located in the SWSW, of Section 3, T9S, R22E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

. W. 2000.	
February 1, 2008	Mary a. Maula
Date	Mary A. Maestas, Regulatory Assistant
Date of onsite: January 24, 2008	







EOG RESOURCES, INC.

CWU #741-3

LOCATED IN UINTAH COUNTY, UTAH **SECTION 3, T9S, R22E, S.L.B.&M.**

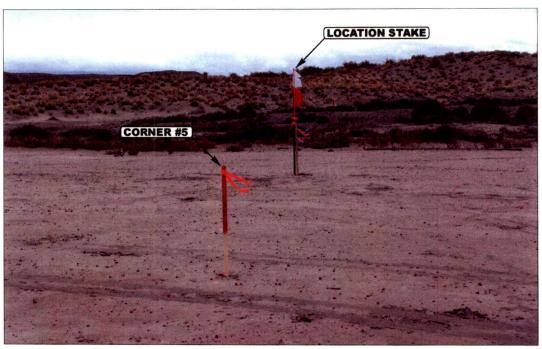


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: SOUTHEASTERLY

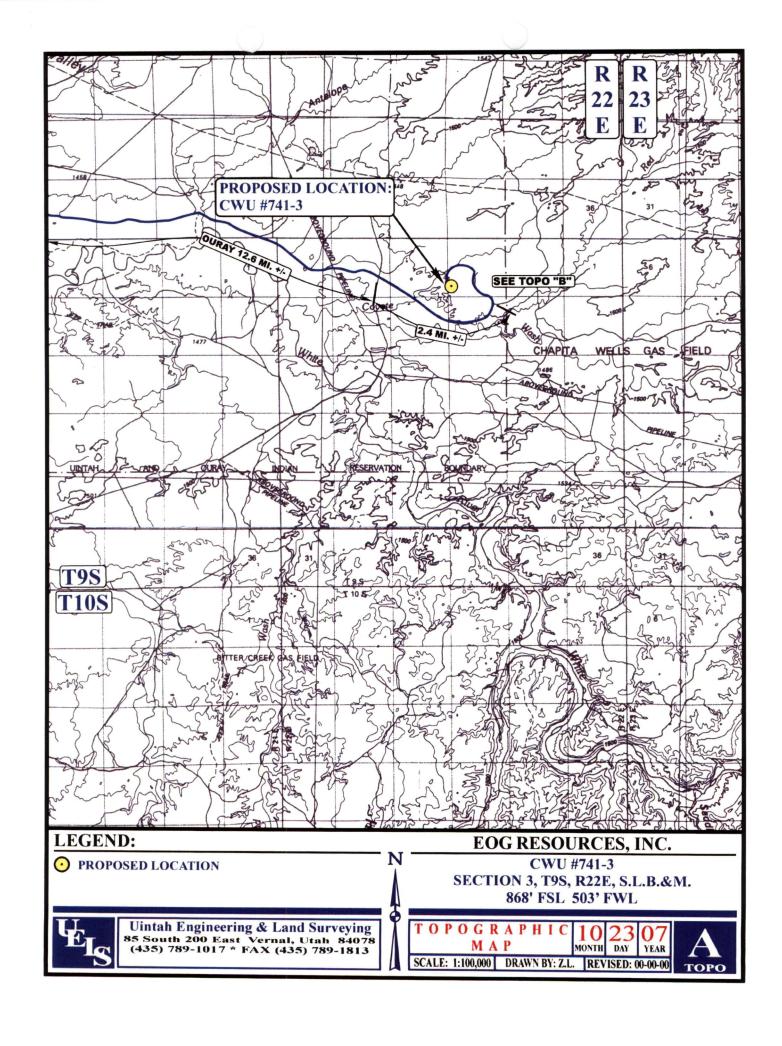


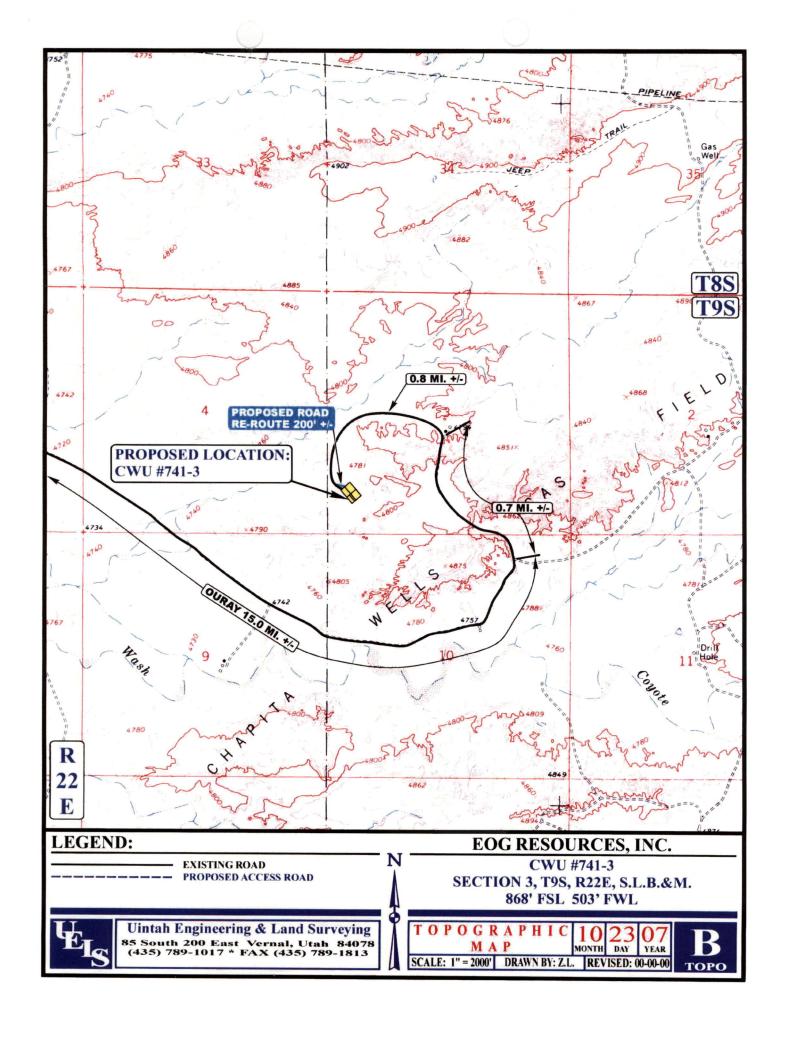
Uintah Engineering & Land Surveying 85 South 200 East Vernal, Utah 84078 435-789-1017 uels@uelsinc.com

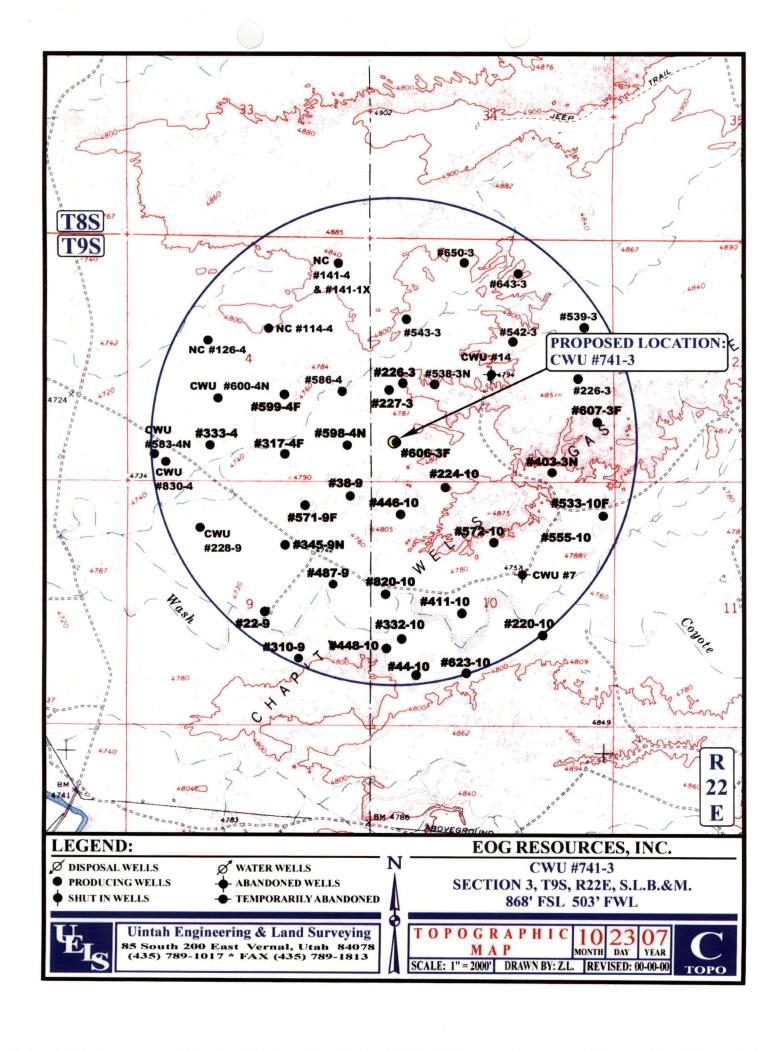
MONTH DAY YEAR

РНОТО

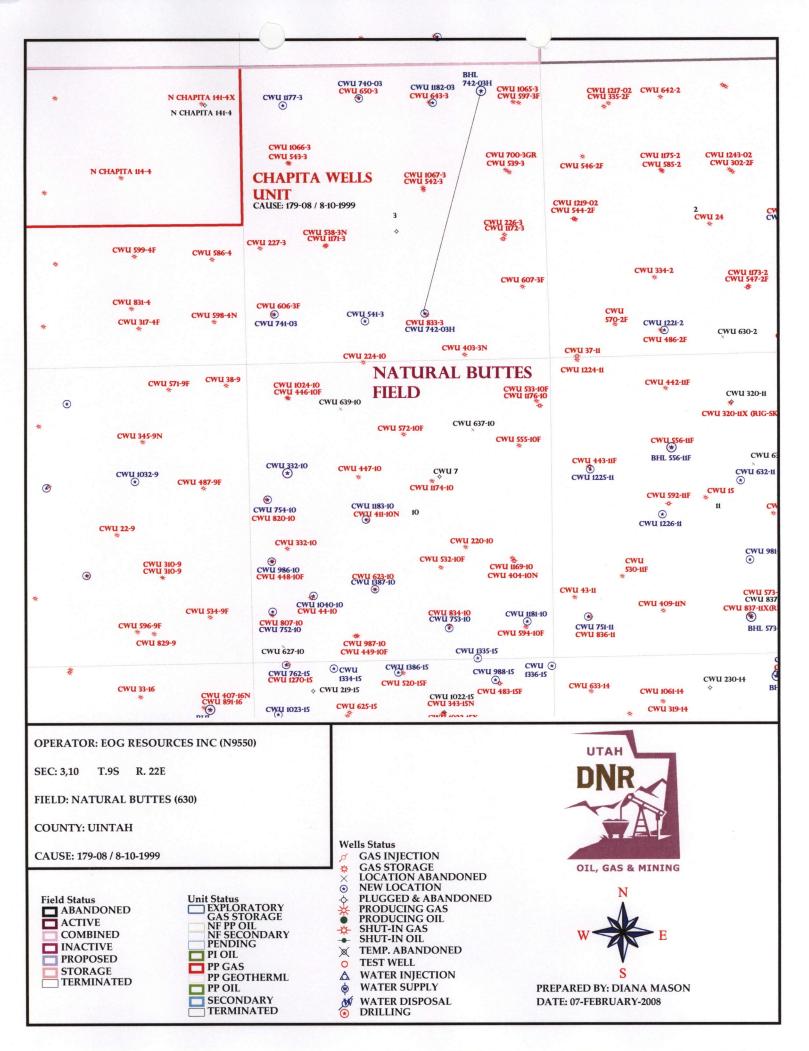
TAKEN BY: C.R. DRAWN BY: Z.L. REVISED: 00-00-00







		•	
APD RECEIVED: 02/04/2008	API NO. ASSIG	NED: 43-047	-39937
WELL NAME: CWU 741-03			
OPERATOR: EOG RESOURCES, INC. (N9550)	PHONE NUMBER:	303-824-5526	ŝ
CONTACT: MARY MAESTAS			
PROPOSED LOCATION:	INSPECT LOCATN	BY: /	/
SWSW 03 090S 220E SURFACE: 0868 FSL 0503 FWL	Tech Review	Initials	Date
BOTTOM: 0868 FSL 0503 FWL	Engineering		
COUNTY: UINTAH LATITUDE: 40.06020 LONGITUDE: -109.4331	Geology		
UTM SURF EASTINGS: 633640 NORTHINGS: 44354	05 Surface		
LEASE TYPE: 1 - Federal LEASE NUMBER: UTU0281 SURFACE OWNER: 1 - Federal RECEIVED AND/OR REVIEWED:	PROPOSED FORMA COALBED METHAN: LOCATION AND SITING:		<u> </u>
Plat	R649-2-3.		
Bond: Fed[1] Ind[] Sta[] Fee[]	Unit: CHAPITA WELLS		
(No. <u>NM2308</u>)	DC40 2 0 G		
Potash (Y/N)	R649-3-2. Gener Siting: 460 From Q		etween Wells
Oil Shale 190-5 (B) or 190-3 or 190-13	R649-3-3. Excep		
Water Permit (No. 49-225)	K049-3-3. Excep	7011	
M RDCC Review (Y/N)	✓ Drilling Unit	a	
(Date:)	Board Cause No:		.
NAM Fee Surf Agreement (Y/N)	Eff Date:	2-10-1999	Sing
Intent to Commingle -(Y/N)	2 Day Rece	Jenesy	
intent to committigle worthing is a same.	R649-3-11. Dire	ectional Dril	.1
COMMENTS:			
			···
STIPULATIONS:	y oroval		
2- 01	SHALE		



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office P.O. Box 45155 Salt Lake City, Utah 84145-0155

IN REPLY REFER TO: 3160 (UT-922)

February 8, 2008

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2008 Plan of Development Chapita Wells Unit

Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2008 within the Chapita Wells Unit, Uintah County, Utah.

API# WELL NAME LOCATION

(Proposed PZ Wasatch)

43-047-39936 CWU 740-03 Sec 03 T09S R22E 0589 FNL 2072 FWL 43-047-39937 CWU 741-03 Sec 03 T09S R22E 0868 FSL 0503 FWL 43-047-39938 CWU 754-10 Sec 10 T09S R22E 2414 FNL 0308 FWL 43-047-39935 CWU 744-01 Sec 01 T09S R22E 1941 FSL 1776 FWL 43-047-39934 CWU 759-25 Sec 25 T09S R22E 0650 FNL 1834 FEL 43-047-39939 CWU 745-06 Sec 06 T09S R23E 0490 FSL 1959 FWL 43-047-39940 CWU 748-07 Sec 07 T09S R23E 1960 FSL 0702 FEL 43-047-39941 CWU 747-07 Sec 07 T09S R23E 0604 FSL 1866 FEL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Chapita Wells Unit

Division of Oil Gas and Mining

Central Files Agr. Sec. Chron Fluid Chron

MCoulthard:mc:2-8-08





MICHAEL R. STYLER Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

February 11, 2008

EOG Resources, Inc 600 17th St., Ste. 1000N Denver, CO 80202

Re:

Chapita Wells Unit 741-03 Well, 868' FSL, 503' FWL, SW SW, Sec. 3, T. 9 South,

R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39937.

Sincerely,

Gil Hunt

Associate Director

pab Enclosures

cc:

Uintah County Assessor

Bureau of Land Management, Vernal Office



Operator:	EOG Resources,	Inc	
Well Name & Number	Chapita Wells U	nit 741-03	
API Number:	43-047-39937 UTU0281	· · · · · · · · · · · · · · · · · · ·	<u> </u>
Location: SW SW	Sec. 3	T. 9 South	R. 22 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

• Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

• Contact Dustin Doucet at (801) 538-5281 office (801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
- 5. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

UNITED STATES

FORM APPROV	ΈD
OMB No. 1004-0	1136
Expires July 31, 2	2010

UNITEDSTATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

UTU0281

155116151611515			
APPLICATION FOR PERMIT	6. If Indian, Allottee or Tribe	Name	
la. Type of Work: DRILL REENTER		7. If Unit or CA Agreement, N UTU63013AN	Name and No.
Ib Ture of Well — Oil Well — Co. Well — Oil	Chal. Zana Makish Zana	8. Lease Name and Well No. CWU 741-03	
1b. Type of Well: ☐ Oil Well ☐ Gas Well ☐ Oth	ner Single Zone Multiple Zone MARY A. MAESTAS		
2. Name of Operator Contact: EOG RESOURCES INC E-Mail: mary_m	9. API Well No.	3 <i>7</i>	
3a. Address	3b. Phone No. (include area code)	Field and Pool, or Explora	ntóry
1060 EAST HIGHWAY 40 VERNAL, UT 84078	Ph: 303-824-5526	NATURAL BUTTĒS	
4. Location of Well (Report location clearly and in accorded	Ince with any State requirements.*)	11. Sec., T., R., M., or Blk. ar	nd Survey or Area
At surface SWSW 868FSL 503FWL	Sec 3 T9S R22E Mer SLB		
At proposed prod. zone SWSW 868FSL 503FWL	SME: BLM		
 Distance in miles and direction from nearest town or post of 47.5 MILES SOUTH OF VERNAL, UT 	rice*	12. County or Parish UINTAH	13. State UT
 Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 	16. No. of Acres in Lease	17. Spacing Unit dedicated to	this well
503'	2557.84	,	
18. Distance from proposed location to nearest well, drilling,	19. Proposed Depth	20. BLM/BIA Bond No. on fi	le
completed, applied for, on this lease, ft. 1210'	7850 MD	NM2308	
21. Elevations (Show whether DF, KB, RT, GL, etc. 4766 GL	22. Approximate date work will start	23. Estimated duration 45 DAYS	
	24. Attachments		
The following, completed in accordance with the requirements of C	Onshore Oil and Gas Order No. 1, shall be attached to this	form:	
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest Syster SUPO shall be filed with the appropriate Forest Service Office 	Item 20 above). 5. Operator certification	ns unless covered by an existing to ormation and/or plans as may be	
25. Signature	Name (Printed/Typed)		Date
(Electronic Submission)	MARY A. MAESTAS Ph: 303-824-552	6	02/01/2008
Title REGULATORY ASSISTANT			
Approved by (Signature)	Name (Printed/Typed)	· · · · · · · · · · · · · · · · · · ·	Date
Su Touch	JERRY KENCEKA		5-2-2008
Lands & Mineral Resources	Office VERNAL FIELD OFFICE		
Application approval does not warrant or certify the applicant hole operations thereon. Conditions of approval, if any, are attached.	is legal or equitable title to those rights in the subject lease	which would entitle the applicant	to conduct
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.			of the United ECEIVED
Additional Operator Remarks (see next page)			AY 0 8 2008
Electronic Submiss For	sion #58389 verified by the BLM Well Info EOG RESOURCES INC, sent to the Verna processing by CINDY SEVERSON on 02/0	mation System	
Committee to At M33 101	proceeding by onto 1 OLYLINOON ON 02/0	500 (550A5000AL)	

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHE

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** NOS 12/21/2007 08 GXJ 1219 AE

UD06 M



UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT VERNAL FIELD OFFICE

VERNAL FIELD OFFICE VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:

EOG Resources, Inc.

Location:

SWSW, Sec. 3, T9S, R22E

Well No:

CWU 741-03

Lease No:

UTU-0281

API No: 43-047- 39937

Agreement:

Chapita Wells Unit

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
NRS/Enviro Scientist:		(435) 781-4475	(435) 828-4029
Supervisory NRS/Enviro Scientist:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	(435) 828-3544
NRS/Enviro Scientist:	James Herford	(435) 781-3412	•
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7482
NRS/Enviro Scientist:	•	(435) 781-3400	(435) 828-3544
NRS/Enviro Scientist:	Michael Cutler	(435) 781-3401	(435) 828-3546
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Darren Williams	(435) 781-4447	(435) 828-4029
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545
;		East (425) 704 2420	

Fax: (435) 781-3420

A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.

NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

Page 2 of 7 Well: CWU 741-03 4/29/2008

SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

Site Specific Conditions of Approval

- If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.
- Bury pipeline at all low water crossings.
- Permission from an authorized BLM representative would be required if construction or other operations occur during wet conditions that would lead to excessive rutting.
- Permission to clear all wildlife stipulations would only be approved by the BLM wildlife biologist during the specific timing for the species potentially affected by this action.
- Culverts and gravel may be installed as needed.
- All portions of the old access road that will not be re-used will be rehabilitated at interim reclamation.

DOWNHOLE PROGRAM CONDITIONS OF APPROVAL (COAs)

SITE SPECIFIC DOWNHOLE COAs:

- Production casing cement shall be brought up and into the surface casing. The minimum cement top is 200 ft above the surface casing shoe.
- COA specification is consistent with operators performance standard stated in APD.
- A variance is granted for Onshore Order #2 Drilling Operations III. E. "Blooie line discharge 100 feet from well bore and securely anchored" Blooie line can be 75 feet.
- All requirements will be adhered to covering air/gas drilling operations as described in Onshore Order #2 III. E.
- Drilling Operations, Special Drilling Operations, air/gas drilling.
- A Gamma Ray well Log shall be run from the well Total Depth to the surface.
- A copy of the Gamma Ray well Log shall be submitted to the BLM Vernal Field Office.
- Onshore Order no. #2 Drilling Operations III. E. 1.
- All requirements will be adhered to covering air/gas drilling operations as described in Onshore Order #2
 III. E. 1. Drilling Operations, Special Drilling Operations, air/gas drilling.
- variance(s) to Onshore Order #2 Drilling Operations III. E.
 - requirement for deduster equipment
 - requirement waived for deduster equipment
 - Deduster equipment capabilities described by operator as function performed by continuous sprayer water mist
 - automatic igniter or continuous pilot light on the blooie line
 - requirement waived for ignitor and pilot light
 - operators blooie line output fluid stream is an incombustible aerated water system
 - blooie line fire prevention and suppression function operation achieved thru continuous aerated water fluid stream flow
 - compressors located in opposite direction from the blooie line a minimum of 100 feet
 - Compressors are truck mounted. Operators standard practice is to rig up with truck mounted compressors oriented ninety degrees to blooie line. Compressors are truck mounted with spark arresters.
- Conductor casing shall be set into competent formation at a depth of 60 ft, plus or minus 10 ft.
- COA specification is consistent with operators performance standard (operators shallow surface operations covered in part 13 Air Drilling Operations) stated in APD.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.

Page 4 of 7 Well: CWU 741-03 4/29/2008

- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the
 daily drilling report. Components shall be operated and tested as required by Onshore Oil &
 Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be
 performed by a test pump with a chart recorder and <u>NOT</u> by the rig pumps. Test shall be
 reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- Cement baskets shall not be run on surface casing.
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water
 is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM
 Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM,
 Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum
 Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.

Page 5 of 7 Well: CWU 741-03 4/29/2008

 There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be
 notified when it is placed in a producing status. Such notification will be by written
 communication and must be received in this office by not later than the fifth business day
 following the date on which the well is placed on production. The notification shall provide, as a
 minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - o The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - o The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - o Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will
 be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be
 reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major
 Events" will be reported in writing within 15 days. "Minor Events" will be reported on the
 Monthly Report of Operations and Production.

Page 6 of 7 Well: CWU 741-03 4/29/2008

- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted
 to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs
 first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be
 adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively
 sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover
 equipment shall be removed from a well to be placed in a suspended status without prior
 approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30
 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given
 before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office
 Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in
 order that a representative may witness plugging operations. If a well is suspended or

Page 7 of 7 Well: CWU 741-03 4/29/2008

abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Cor	npany:	- 	EOG RE	SOUR	CES INC			
Well Name:			<u>CWU 74</u>	1-03				
Api No:	43-047-39	937		Leas	е Туре:	FEDERAL		
Section 03	Township_	09S	_Range_	22E	County_	UIN	ГАН	
Drilling Con	ntractor	ROCKY	MOUNT	ΓAIN D	RLG	_RIG #_	RATHOLE	
SPUDDE	D:							
	Date	08/12	2/08					
	Time	10:0	0 AM					
	How	DRY	·					
Drilling wi	ill Commen	ce:						
Reported by			JERRY :	BARNI	ES			
Telephone #			(435) 82	8-1720				
Date	08/12/08	S	igned	CHI)			

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES

DIVISION OF OIL, GAS AND MINING

ENTITY ACTION FORM	ENT	ITY	AC1	TION	FO	RI
--------------------	-----	-----	-----	-------------	----	----

Operator:

EOG RESOURCES

Operator Account Number: N 9550

1060 East Highway 40

Address:

city VERNAL

state UT

zip 84078

Phone Number: (435) 781-9145

Well 1

S UNIT 754-10 New Entity	SWNW	10	98	Rng 22E			
New Entity			, ,,	445	County UINTAH		
New Entity Number	Spud Date			Entity Assignment Effective Date			
4905	8	8/10/2008			8/14/18		

43-047-39937	1					Rng	County	
40 047 00007	CHAPITA WELLS UN	IIT 741-03	swsw	3	98	22E	UINTAH	
Action Code	Current Entity Number	New Entity Number				Entity Assignment Effective Date		
1B	99999	4905				14/08		

Well 3

API Number	Well	Name	QQ	Sec	Twp	Rng	County	
43-047-39638	CHAPITA WELLS U	NENE	28	98	22E	UINTAH		
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date		
KB	99999	13650	8	/10/200	8	81	14/08	
Comments: M	IVRD						1/00	

ACTION CODES:

- A Establish new entity for new well (single well only)
- B Add new well to existing entity (group or unit well)
- C Re-assign well from one existing entity to another existing entity
- D Re-assign well from one existing entity to a new entity
- Other (Explain in 'comments' section)

RECEIVED

AUG 1 2 2008

Mickenzie Thacker

Name (Please Print) Signature

Operations Clerk 8/12/2008 Title Date

(5/2000)

DIV. OF OIL, GAS & MINING

Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY Do not use thi	JREAU OF LAND MANAG NOTICES AND REPOR Secondary for proposals to	RTS ON WE	enter an		5. Lease Serial No. UTU0281 6. If Indian, Allottee o	or Tribe Name		
abandoned wel	I. Use form 3160-3 (APL)) for such p	roposals.		o. If indian, /thouse o	Title Name		
SUBMIT IN TRII	PLICATE - Other instruc	tions on rev	erse side.		7. If Unit or CA/Agree CHAPITA WELL	ement, Name and/or No. LS UNI		
Type of Well Oil Well	er				8. Well Name and No. CHAPITA WELLS	3 UNIT 741-03		
Name of Operator EOG RESOURCES, INC.		MICKENZIE E_THACKER@	THACKER EOGRESOURC	ES.COM	9. API Well No. 43-047-39937			
3a. Address 1060 E HWY 40 VERNAL, UT 84078		(include area code 1-9145	·)	10. Field and Pool, or Exploratory NATURAL BUTTES				
4. Location of Well (Footage, Sec., T.	., R., M., or Survey Description)		11. County or Parish, and State					
Sec 3 T9S R22E SWSW 868F 40.06019 N Lat, 109.43377 W					UINTAH COUN	TY, UT		
12. CHECK APPE	ROPRIATE BOX(ES) TO	INDICATE	NATURE OF	NOTICE, R	EPORT, OR OTHE	R DATA		
TYPE OF SUBMISSION			ТҮРЕ О	F ACTION				
	☐ Acidize	☐ Dee	oen	☐ Produc	tion (Start/Resume)	■ Water Shut-Off		
☐ Notice of Intent	☐ Alter Casing		ture Treat	□ Reclam	ation	■ Well Integrity		
Subsequent Report	☐ Casing Repair	□ New	Construction	□ Recom	plete	Other		
☐ Final Abandonment Notice	☐ Change Plans	Plug	and Abandon	□ Tempo	rarily Abandon	Well Spud		
D	☐ Convert to Injection	Plug		☐ Water	Disposal			
following completion of the involved testing has been completed. Final Abdetermined that the site is ready for f The referenced well was spud	pandonment Notices shall be file inal inspection.) I on 8/12/2008.	ed only after all i	e completion of receive quirements, inclu	ding reclamation	in, have been completed,	and the operator has		
14. I hereby certify that the foregoing is	Flectronic Submission #	62218 verified	I by the BLM We INC., sent to the	ell Information e Vernal	n System			
Name (Duist-J/Th BAIOIZEA)				ATIONS CL	=RK			
Name (Printed/Typed) MICKENZ	ZIE THACKER		THE OPEN	ATIONS CLI				
Signature William Golic	shacker (")		Date 08/12/	2008				
	THIS SPACE FO	OR FEDERA	AL OR STATE	OFFICE L	ISE			
Approved By			Title			Date		
Conditions of approval, if any, are attache certify that the applicant holds legal or eq which would entitle the applicant to conditions.	uitable title to those rights in the	s not warrant or e subject lease	Office					
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent	U.S.C. Section 1212, make it a statements or representations as	crime for any posto any matter w	erson knowingly ar	nd willfully to n	nake to any department or	r agency of the United		

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED

AUG 1 4 2008

Form 3160-5 (August 2007)

Approved By

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010 5. Lease Serial No. SUNDRY NOTICES AND REPORTS ON WELLS UTU0281

	is form for proposals to II. Use form 3160-3 (AP				6. If Indian, Allottee	or Tribe Name					
SUBMIT IN TRI	PLICATE - Other instruc	ctions on rev	rerse side.		7. If Unit or CA/Agre CHAPITA WEL	eement, Name and/or No. LS UNI					
Type of Well Oil Well	ner				8. Well Name and No CHAPITA WELL						
Name of Operator EOG RESOURCES, INC.	Contact: E-Mail: mary_mae	MARY A. MA stas@eogreso			9. API Well No. 43-047-39937						
3a. Address 600 17TH STREET SUITE 10 DENVER, CO 80202	00N	3b. Phone No Ph: 303-82	o. (include area cod 24-5526	e)	10. Field and Pool, or NATURAL BU						
4. Location of Well (Footage, Sec., T	., R., M., or Survey Description	<u>'</u>	· · · · · · · · · · · · · · · · · · ·		11. County or Parish,	and State					
Sec 3 T9S R22E SWSW 868FSL 503FWL 40.06019 N Lat, 109.43377 W Lon											
12. СНЕСК АРРІ	ROPRIATE BOX(ES) TO) INDICATE	NATURE OF	NOTICE, R	EPORT, OR OTHE	R DATA					
TYPE OF SUBMISSION			ТҮРЕ С	OF ACTION							
☐ Notice of Intent	☐ Acidize	☐ Dee	pen	□ Product	tion (Start/Resume)	■ Water Shut-Off					
_	☐ Alter Casing	☐ Frac	cture Treat	□ Reclam	ation	■ Well Integrity					
Subsequent Report	□ Casing Repair	□ Nev	v Construction	□ Recomp	olete	Other					
☐ Final Abandonment Notice	☐ Change Plans	☐ Plug	g and Abandon	□ Tempor	☐ Temporarily Abandon Production Start-						
	☐ Convert to Injection	☐ Pluį	g Back	■ Water I	☐ Water Disposal						
13. Describe Proposed or Completed Oplif the proposal is to deepen directions Attach the Bond under which the wor following completion of the involved testing has been completed. Final Abdetermined that the site is ready for firm the referenced well was turned report for drilling and completion.	ally or recomplete horizontally, it will be performed or provide operations. If the operation repandonment Notices shall be filling inspection.)	give subsurface the Bond No. o sults in a multip ed only after all Please see th	locations and meas in file with BLM/BI le completion or rec requirements, inclu- me attached ope	sured and true version of the completion in a substitution in a substitution of the completion in a substitution of the completion in a substitution of the completion of the	ertical depths of all perti- bsequent reports shall be new interval, a Form 310 n, have been completed,	nent markers and zones. c filed within 30 days 60-4 shall be filed once					
14. I hereby certify that the foregoing is											
	Electronic Submission # For EOG F	64580 verified RESOURCES,	l by the BLM We INC., sent to the	II Information Vernal	System						
Name (Printed/Typed) MARY A.	MAESTAS		Title REGU	LATORY AS	SISTANT						
Signature Ma Electronic S	Submission		Date 11/10/2	2008							
	THIS SPACE FO	OR FEDERA	L OR STATE	OFFICE U	SE	1 200					

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Title

Office

WELL CHRONOLOGY REPORT

Report Generated On: 11-10-2008

Well Name	CWU 741-03	Well Type	DEVG	Division	DENVER
Field	CHAPITA WELLS	API#	43-047-39937	Well Class	COMP
County, State	UINTAH, UT	Spud Date	09-05-2008	Class Date	
Tax Credit	N	TVD / MD	7,850/ 7,850	Property #	062285
Water Depth	0	Last CSG	0.0	Shoe TVD / MD	7,096/ 7,096
KB / GL Elev	4,778/ 4,765				
Location	Section 3, T9S, R22E, SV	VSW, 868 FSL & 503 F	WL		

DRILL & COMPLETE

Operator	EOG	RESOURC	ES, INC	WI %	55.1	124		NRI %		46.807	
AFE No		304955		AFE Total		1,319,900		DHC/C	CWC	694,7	00/ 625,200
Rig Contr	ELEN	BURG	Rig Nan	e ELEN	BURG #28	Start Date	02-	-28-2008	Release	Date	09-10-2008
02-28-2008	Rep	ported By	(INDY VAN RAI	NKEN						
DailyCosts: Di	rilling	\$0		Con	npletion	\$0		Dail	y Total	\$0	
Cum Costs: D	rilling	\$0		Con	npletion	\$0		Well	l Total	\$0	
MD	0	TVD	0	Progress	0	Days	0	\mathbf{MW}	0.0	Visc	0.0
Formation:			PBTD:	0.0		Perf:			PKR De	epth : 0.0)

Activity at Report Time: LOCATION DATA

1.0

Event No

Start End Hrs **Activity Description** 06:00 06:00

24.0 LOCATION DATA

868' FSL & 503' FWL (SW/SW) SECTION 3, T9S, R22E UINTAH COUNTY, UTAH

LAT 40.060186, LONG 109.433772 (NAD 83) LAT 40.060222, LONG 109.433089 (NAD 27)

Description

ELENBURG #28

OBJECTIVE: 7850' MD/TVD, WASATCH

DW/GAS

OBJECTIVE: CHAPITA WELLS PROSPECT

DD&A: NATURAL BUTTES NATURAL BUTTES FIELD

LEASE: UTU-0281

ELEVATION: 4765.6' NAT GL, 4765.1' PREP GL (DUE TO ROUNDING PREP GL IS 4765'), 4778' KB (13')

EOG WI 55.1242%, NRI 46.806575%

08-06-2008

Reported By

TERRY CSERE

DailyCosts: Drilling	\$38,000			pletion	\$0			y Total	\$38,000	
Cum Costs: Drilling	\$38,000			pletion	\$0		Well	l Total	\$38,000	
MD 0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	_	BTD : 0	0.0		Perf:			PKR De	pth: 0.0	
Activity at Report Ti	me: BUILD LO	CATION								
Start End		ity Desc	-							
06:00 06:00			ARTED TODAY	7 08/06/08						
08-07-2008 Re	eported By	TI	ERRY CSERE							
DailyCosts: Drilling	\$0			pletion	\$0			y Total	\$0	
Cum Costs: Drilling	\$38,000		Com	pletion	\$0		Well	Total	\$38,000	
MD 0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	P	BTD : 0	0.0		Perf:			PKR De	pth: 0.0	
Activity at Report Ti	me: BUILD LO	CATION								
Start End	Hrs Activ	ity Desc	ription							
06:00 06:00	24.0 LOCA	TION 50	% COMPLETE							
08-08-2008 Re	eported By	TE	ERRY CSERE							
DailyCosts: Drilling	\$0		Com	pletion	\$0		Dail	y Total	\$0	
Cum Costs: Drilling	\$38,000		Com	pletion	\$0		Well	Total	\$38,000	
MD 0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	P	BTD : 0	.0		Perf:			PKR De	pth: 0.0	
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DailyCosts: D	rilling	\$0		Com	pletion	\$0		Daily	Total	\$0	
Cum Costs: D	rilling	\$38,000)	Com	pletion	\$0		Well T	Fotal	\$38,000	
MD	0	TVD	0	Progress	.0	Days	0	MW	0.0	Visc	0.0
Formation:]	PBTD:	0.0		Perf:			PKR Dej	oth: 0.0	

Activity at Report Time: SPUD NOTIFICATION - WO AIR RIG

Hrs

Activity Description

06:00	06:00	24.0 LOCATION COMPLETE. ROCKY MOUNTAIN DRILLING SPUD A 20" HOLE ON 08/12/08 @ 10:00 A.M. SET 60'
		OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS
		W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 08/12/08 @ 9:30 A.M.

08-28-2008	R	eported By	K	YLAN COOK							
DailyCosts:	Drilling	\$289	,495	Com	pletion	\$0		Daily	Total	\$289,495	
Cum Costs:	Drilling	\$327	,495	Com	pletion	\$0		Well 7	Total .	\$327,495	
MD	2,529	TVD	2,529	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation : PE			PBTD : 0	0.0		Perf:			PKR De	oth: 0.0	

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
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06:00 06:00

Start

24.0 MIRU CRAIG'S AIR RIG # 3 ON 8/21/2008. DRILLED 12–1/4" HOLE TO 2529' GL. FLUID DRILLED HOLE FROM 1200' WITH NO LOSSES. RAN 62 JTS (2523.70') OF 9–5/8", 36.0#, J–55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2536' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO CRAIG'S RIG.

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 3200 PSIG. PUMPED 180 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 200 SX (146 BBLS) OF PREMIUM LEAD CEMENT W/0.2% VARASET, 2% CALSEAL, & 2% EX-1. MIXED LEAD CEMENT @ 10.5 PPG W/YIELD OF 4.1 CF/SX.

TAILED IN W/300 SX (63 BBLS) OF PREMIUM CEMENT W/2 % CACL2. MIXED TAIL CEMENT TO 15.6 W/YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/192.4 BBLS FRESH WATER. BUMP PLUG W/1100# @ 3:30 PM, 8/25/2008. CHECKED FLOAT, FLOAT HELD. SHUT—IN CASING VALVE. BROKE CIRCULATION 180 BBL INTO FRESH WATER FLUSH. NO CEMENT TO SURFACE. PART RETURNS THROUGH OUT DISPLACEMENT. HOLE FELL BACK WHEN PLUG BUMPED.

TOP JOB #1: HALLIBURTON PUMP TRUCK HAD PROBLEMS AFTER PUMPING 10 BBLS SLURRY. CIRCULATE TOP JOB #1 TO PIT WITH FRESH WATER. WAIT ONE DAY FOR HALLIBURTON TRUCKS.

TOP JOB #2: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 150 SX (31 BBLS) OF PREMIUM CEMENT W/2 % CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. GOOD CEMENT TO SURFACE. STOOD FULL WHEN PUMPING STOPPED.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

NO SURVEY AT THIS TIME.

CONDUCTOR LEVEL RECORD: PS= 89.8 OPS= 89.7 VDS= 89.9 MS= 89.9. 9 5/8 CASING LEVEL RECORD: PS= 89.9 OPS= 89.9 VDS= 89.9 MS= 89.9.

KYLAN COOK NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 8/23/2008 @ $11:15\,\mathrm{AM}$.

09-05-200	08 Re	eported B	By DA	AVID FOREMA	ΔN						
DailyCosts	s: Drilling	\$9	91,115	Con	npletion	\$0		Dail	y Total	\$91,115	
Cum Cost	s: Drilling	\$4	418,610	Con	npletion	\$0		Well	Total	\$418,610	
MD	3,169	TVD	3,169	Progress	633	Days	1	MW	9.8	Visc	38.0
Formation	١:		PBTD : 0.	.0		Perf :			PKR De	pth: 0.0	
Activity at	t Report Ti	me: DRIL	LING @ 3169'						ŕ	•	
Start	End	Hrs	Activity Desc	ription							
06:00	06:30		RIG DOWN EL	-	S & SAFET	TY MEETIN	G W/ HOWC	ROFT TRUC	CKING.		
06:30	09:00		RIG DOWN W/			G. REMOVE	BOP & INS	TALL NIGH	Γ CAP W/FM	C. MOVED RI	G TO NEW
09:00	12:00		RIG UP SET BO		HEAD TO	5000 PSI W	FMC & LOC	K DOWN B	OP. CONT TO	O RIG UP ALL	TRUCKS
12:00	15:00	3.0	NIPPLE UP BO	P, FLARE LIN	ES, FUNC	TION TEST	BOP. RIG O	N DAY WOF	RK @ 12:00 09	9/04/08.	
15:00	20:00		RIG UP B&C Q MANIFOLD, H LOW & 5000 P JOHN SIDWEL	CR, KELLY UI SI HIGH, ANN	PPER & LO ULAR 250	OWER KELI	Y VALVES,	SAFETY VA	LVE, DART V	ALVE, ALL TO	O 250 PSI
20:00	22:30	2.5	PICK UP MOTO	OR MAKE UP	BIT TEST	MOTOR & 1	TRIP IN BHA	& DRILL P	IPE TAG @ 2	493'.	
22:30	23:30	1.0	DRILL CEMEN	T/FLOAT EQU	ЛР F/2493'	TO 2536' +	10' OF FORI	MATION.			
23:30	00:00	0.5	PERFORMED 1	FIT WITH 9.8 N	MUD WT. 1	110 PSI @ 2:	536', EMW 1	0.6, GOOD 7	TEST.		
00:00	04:00	4.0	DRILLING F/ 2	.546' TO 3033',	487'. ROI	P 121.75, WO	OB 14/16 RPN	м 45/67, TQ.	1745/2160.		
04:00	04:30	0.5	SURVEY @ 29	55' = 2° DEG.							
04:30	06:00	1.5	DRILLING 303	3' TO 3169',13	6'. ROP 90).6 FPH, WC	B 14/16, RPI	M 45/67, TQ.	1800/2330.		
			MUD LOSS LA	ST 24 HRS. 0 I	BBLS.						
			MUD WT.9.8 V	IS.35.							
			ROT 79 P/U 80	S/O 78							
			ACCIDENTS N	ONE REPORT	ED.						
			FUNCTION TE	ST CROWN-C	MATIC.						
			BOP DRILL 1								
			SAFETY MEET	ΓING: RIG SER	VICE.						
			CREWS FULL.								
			FUEL ON HAN	ID: 6544 GALS	. USED 87:	5 GALS.					
			FORMATION T	OP: MAHOGA	ANY						
			GAS BG.275 U	, CONN. 1500 T	IJ,						
			LITHOLOGY,	SAND/ SHALE	ŝ.						
			MUD LOGGER	UNMANNED	ON LOCA	TION FROM	M 9/04/08. =	1 DAY.			
06:00			SPUD 7-7/8" H	OLE @ 00:00,	09/05/08						
09-06-200)8 Re	eported B	By DA	AVID FOREMA	N						
DailyCosts	s: Drilling	\$2	28,782	Con	apletion	\$0		Dail	y Total	\$28,782	
Cum Costs	s: Drilling	\$4	147,393	Con	npletion	\$0		Well	Total	\$447,393	

1,720 **Days** 2 **MW**

Visc

32.0

4,889 **TVD** 4,889 **Progress**

MD

PKR Depth: 0.0 Formation: **PBTD**: 0.0 Perf: Activity at Report Time: WORK TIGHT HOLE Start End Hrs **Activity Description** 7.0 DRILLING F/3169' TO 3801' 632' ROP 90.2 WOB 16/18 RPM 66/55 TQ. 1236/1540. 06:00 13:00 13:00 13:30 0.5 SERVICE RIG 13:30 17:00 3.5 DRILLING F/3801' TO 4126' 325' ROP 92.8 WOB 18/20 RPM 65/45 TQ. 1780/2000. 0.5 SURVEY @ 4046'= 1.25 DEG. 17:00 17:30 17:30 01:00 7.5 DRILLING F/4126' TO 4889' 763' ROP 95.5 WOB 18/19 RPM 65/50 TQ. 1700/2130. MAKING CONN. WORK PIPE UP TO CHECK HOLE DRAG AND STUCK @ 4860' 30' OFF BOTTOM. 5.0 WORK STUCK PIPE JAR DOWN & JAR UP STUCK AT BIT STRING ROTATING BACKWARDS. 01:00 06:00 NO MOVEMENT. FREE @ 06:00. MUD LOSS LAST 24 HRS. 0 BBLS. MUD WT.10.1 VIS.33. ROT 109 P/U 114 S/O 103 ACCIDENTS NONE REPORTED. FUNCTION TEST CROWN-O-MATIC. SAFETY MEETING: HOUSEKEEPING/ ELECTRIC SHOCK. CREWS FULL. FUEL ON HAND: 5345 GALS. USED 1199 GALS. FORMATION TOP: MAHOGANY & WASATCH. GAS BG.250 U, CONN. 1750 U, MAX 3289 @ 4380 DOWN TIME GAS 5281. LITHOLOGY, SAND/SHALE. MUD LOGGER UNMANED ON LOCATION F/ 9/04/08. = 2 DAY.

09-07-2008	Re	ported By	D	AVID FOREMA	AN						
DailyCosts: I	rilling	\$27,5	02	Cor	npletion	\$0		Daily	Total	\$27,502	
Cum Costs: I	rilling	\$474,	896	Cor	npletion	\$0		Well 7	Fotal	\$474,896	
MD	6,112	TVD	6,112	Progress	1,223	Days	3	MW	10.0	Visc	31.0
Formation:			PBTD : 0	.0		Perf:			PKR Dep	oth: 0.0	

Activity at Report Time: DRILLING @ 6112'

Activity a	t Keport 11	me: DKI	LLING @ 6112'
Start	End	Hrs	Activity Description
06:00	07:00	1.0	REAM TIGHT SPOT @ 4860'.
07:00	13:30	6.5	DRILLING F/ 4889' TO 5297'408' ROP 62.7 WOB 18/20 RPM 65/45 TQ. 1760/2340.
13:30	14:00	0.5	SERVICE RIG
14:00	06:00	16.0	DRILLING F/ 5297' TO 6112' 815 ROP 51 WOB 18/20 RPM 65/45 TQ. 1530/2450.
			MUD LOSS LAST 24 HRS. 0 BBLS.
			MUD WT.10.3 VIS.36.
			ROT 122 P/U 126 S/O 115.
			ACCIDENTS NONE REPORTED.
			FUNCTION TEST CROWN-O-MATIC.
			SAFETY MEETING: HOUSEKEEPING TEAMWORK.
			CREWS FULL.
			FUEL ON HAND: 4270 GALS. USED 1075 GALS.
			FORMATION TOP: BUCK CANYON.
			GAS BG.100 U, CONN. 1344 U, MAX 6285. @ 5840.

LITHOLOGY, SAND/ SHALE.

MUD LOGGER UNMANNED ON LOCATION F/ 9/04/08. = 3 DAY.

		MUD L	OGGER	UNMANNED	ON LOCA	TION F/ 9/04	/08. = 3 DA	.Y.			
09-08-20	008 Re	eported By	DA	VID FOREMA	N						
DailyCos	ts: Drilling	\$28,763		Con	npletion	\$1,267		Dail	y Total	\$30,030	
Cum Cos	ts: Drilling	\$503,659		Con	npletion	\$1,267		Well	Total	\$504,926	
MD	7,125	TVD	7,125	Progress	1,012	Days	4	MW	10.4	Visc	37.0
Formatio	n:	PB	TD : 0.0)		Perf:			PKR De	pth: 0.0	
Activity a	t Report Ti	me: DRILLING (7125'								
Start	End	Hrs Activit	y Descr	iption							
06:00	13:00	7.0 DRILL	ING F/ 61	112' TO 6391'	279' ROP 3	9.8 WOB 18/1	19 RPM 65/4	45 TQ. 1225	/1875.		
13:00	13:30	0.5 SERVIO	CE RIG								
13:30	06:00	16.5 DRILL	ING F/ 63	391' TO 7125'	734' ROP 4	4.8 WOB 18/1	19 RPM 65/	45 TQ. 1020	/1965.		
		MUD L	OSS LAS	ST 24 HRS. 25	0 BBLS.						
		MUD V	VT.10.4 V	IS.36.							
				6 S/O 134 .							
				ONE REPORT							
				ST CROWN-C		ATE DIT EC					
			Y MEET. S FULL.	ING: POWER	LINES,51	AIE RULES.					
				D: 3218 GALS	USED 10	52 GALS					
				OP: NORTH H		<i>52</i> 67125.					
				CONN. 1134 I							
				SAND/ SHALE							
		MUD L	OGGER	UNMANNED	ON LOCA	TION F/ 9/04	/08. = 4 DA	Y.			
09-09-20	008 Re	eported By	DA	VID FOREMA	١N				<u> </u>	<u></u>	
DailyCos	ts: Drilling	\$30,595		Con	npletion	\$0		Dail	y Total	\$30,595	
Cum Cos	ts: Drilling	\$534,255		Con	npletion	\$1,267		Well	Total	\$535,522	
MD	7,850	TVD	7,850	Progress	725	Days	5	MW	10.4	Visc	35.0
Formatio	n ;	PB	TD: 0.0)		Perf:			PKR De	pth: 0.0	
Activity a	ıt Report Ti	me: SHORT TRII	@ TD								
Start	End	Hrs Activit	ty Descr	iption							
06:00	12:00		•	•	210' ROP 3	5' WOB 18/20	RPM 65/4:	5 TQ. 1780/2	2340.		
12:00	12:30	0.5 SERVIO	CE RIG								
12:30	04:00	15.5 DRILLI 9/9/08.	ING F/ 73	335' TO 7850'	515' ROP 5	51.5' WOB 18/	20 RPM 65/	/45 TQ. 1620)/2640. REAC	HED TD @ 04:	00 HRS,
04:00	05:00	1.0 CIRC.H	OTTOM	S UP COND. I	F/ SHORT	TRIP.					
05:00	06:00	1.0 SHORT	TRIP @	7850' TD.							
		MUD L	OSS LAS	ST 24 HRS. 30	BBLS.						
		MUD V	VT.10.4 V	IS.36.							
		ROT 15	6 P/U 16	4 S/O 147.							
		ACCID	ENTS NO	ONE REPORT	ED.						
		FUNCT	TON TES	ST CROWN-C	MATIC.			_			

SAFETY MEETING: EYE PROTECTION.

CREWS FULL.

FUEL ON HAND: 1985 GALS. USED 1233 GALS.

FORMATION TOP: PRICE RIVER. GAS BG.108 U, CONN. 298 U. LITHOLOGY, SAND/ SHALE.

MUD LOGGER UNMANED ON LOCATION F/ 9/04/08. = 6 DAY.

09-10-200	8 Re	ported By	D	AVID FOREMA	N						
DailyCosts	Drilling	\$27,	217	Com	pletion	\$131,634		Daily	y Total	\$158,851	
Cum Costs	: Drilling	\$561	1,473	Com	pletion	\$132,901		Well	Total	\$694,374	
MD	7,850	TVD	7,850	Progress	0	Days	6	MW	10.5	Visc	41.0
Formation	:		PBTD : 0	0.0		Perf:			PKR De	pth: 0.0	
Activity at	Report Ti	me: RUN PI	RODUCTION	CASING @ 78	50						
Start	End	Hrs A	ctivity Desc	cription							
06:00	10:00	4.0 W	TPER TRIP (OUT TO SHOE							
10:00	12:30	2.5 TI	RIP IN TO 78	50' NO FILL CL	EAN BOT	TOM.					
12:30	14:00	1.5 Cl	IRC. COND.	FOR CASING &	LAY DO	WN DRILL PIPE	₿.				
14:00	20:30		ROP SURVE EGREES.	Y,TRIP OUT OF	HOLE LA	YING DOWN E	P & BH	A REMOVE	WEAR BUSH	IING & SURVE	Y1.25
20:30	22:30	2.0 R	IG UP TO RU	IN CASING & S	AFETY M	EETING W/ AL	L PERSO	ONNEL. RIG	UP CALIBE	R CASING TON	IGS.
22:30	06:00	CO @ TA	OLLAR 78 J 7800', MAR AG @ 7850'.	4 1/2 RAN 194 J FS. CSG.1 MAR. KER JT @ 4646 LAY DOWN TA ND CSG. W/FUL	JER JT. 11 '. CENTR. G JT. SPAC	5 JTS.CSG. DTC ALIZERS, 5 FT. CE OUT PICK U	HANG ABOVE P HANC	ER ASS. FLC SHOE, TOP (GER FILL CS	AT SHOE @ OF JT #2 & E	7844', FLOAT (VERY 3 TH JT,	COLLAR TOTAL 1
		A	CCIDENTS 1	NONE REPORTE	ED.						
		FU	UNCTION TI	EST CROWN-O	-MATIC.						
		SA	AFETY MEE	TING: TRIPING	& RUN C	ASING.					
		Cl	REWS FULL	•							
		FU	UEL ON HAI	ND: 1532 GALS.	USED 45	3 GALS.					
				R UNMANED O	N LOCAT	ION F/ 9/04/08 T	O 9/9/08	B = 6 DAY.			
09-11-200	8 Re	ported By	D	AVID FOREMA	N						
DailyCosts :	Drilling	\$24,	821	Com	pletion	\$56,977		Daily	Total	\$81,798	
Cum Costs	: Drilling	\$586	5,294	Com	pletion	\$189,878		Well	Total	\$776,172	
MD	7,850	TVD	7,850	Progress	0	Days	7	MW	0.0	Visc	0.0
Formation	:		PBTD : 0	0.0		Perf:			PKR De	pth: 0.0	
Activity at	Report Ti	me: RDRT/	WO COMPLI	ETION							
~	End	Hrs A	ctivity Desc	rintion							
Start	Liiu	IAIO II	ctivity Desc	Tipuon							

	09:30	OF 2 % YIE D04 FT3 FLC DR0	LEAD.& C FLUID LC LD 2.98 F1 6 .1% ANT /SK H20 5 OAT COLLI OP PLUG @	EMENT 78 OSS D046.2 F3/SK H20 FIFOAM D 5.96 GAL/S ER W/ FRE @ 08:45	DROP BOTTOM 850' 4 1/2 P-110 2%,ANTIFOAM 18.227 GAL/SK 167 .2% FLUID SK @ 14.1 PPG, BSH WATER. 12 BUMPED PLUG ELD.@ 09:14 C	0 11.6# CSG. LE D013 .5% RETA C@ 11.5 PPG. TA LOSS DO65 .2% SHUTDOWN W 21 BBLS. AVG. 1 G @ 09:12 TO 2	AD 300 S ARDER D AIL 970 S & DISPER ASH OU' DISP, RA 800 PSI	KS. G+ADD 1065 .5 % D13 KS 50/50 POZ RSANT SOO1 T PUMPS & L TE 6 BPM FU 1000 PSI. OVE	S MIX D02 0 .125LB/S G + ADDS 1.% ACCEI INES DROI LL RETUR R LIFT PSI	O 10.%EXTEND K BLEND LOST D020 2% EXTE LERATOR YIEL P TOP PLUG & NS THROUGH	DER D167. I CIRC. ENDER LD 1.29 DISP. TO OUT JOB.
09:30	10:30	1.0 WA	IT ON CEM	MENT.							
10:30	11:30	1.0 RE		MENT HEA	AD & LANDING	3 JT.M/U & LAN	ND PACK	OFF TEST 500	00 PSI. LOC	SEN DTO LOC	K DOWN
11:30	14:00	2.5 NIP	PLE DOW	N BOP CL	EAN MUD TAN	IKS.					
		SAI	ETY MEE	TING W/A	ALL PERSONNE	EL ON RIG MOV	VE.				
14:00	19:00	W /]	FMC LOCK	K DOWN E	MILES TO CWU BOP. RAISE DEI N @ 17:00.TRU	RRICK SPOT TA	ANKS, PU	IMPS, GROUN			
19:00		REI	LEASE RIC	3 @ 14:00 J	HRS, 9/10/2008.						
		CAS	SING POIN	T COST \$	545,253						
09-20-2008	Re	ported By	SI	EARLE							
DailyCosts:	Drilling	\$0			Completion	\$42,007		Daily '	Total	\$42,007	
Cum Costs:	Drilling	\$586,2	!94		Completion	\$231,885		Well T	otal	\$818,179	
MD	7,850	TVD	7,850	Progre	ss 0	Days	8	MW	0.0	Visc	0.0
Formation:			PBTD : 7	'800.0		Perf:			PKR De	pth: 0.0	
Activity at R	Report Tii	me: PREP FO	R FRACS								
Start E	End	Hrs Act	ivity Desc	ription							
	0.00	040 14	U SCHLU	MBERGEI	2 LOG WITH R	ST/CBL/CCL/V	TOT /GD E	ROM PRTD T	O 790'. ES	Г СЕМЕНТ ТОР	
06:00	06:00		SCHLUME	BERGER.	K. LOG WIIII K	.51,022,002,1	DL/GK I	ROMIDIDI			' @ 1210'.
06:00 10-04-2008			SCHLUME	BERGER.			DL/GR P				' @ 1210'.
	Re	RD	SCHLUME		Completion	\$1,723	DL/OK I	Daily '	Fotal	\$1,723	' @ 1210'.
10-04-2008	Re Drilling	RD ported By	SCHLUME M				DL/GK I				· @ 1210· .
10-04-2008 DailyCosts:	Re Drilling	ported By \$0	SCHLUME M		Completion Completion	\$1,723	9	Daily		\$1,723	0.0
10-04-2008 DailyCosts: Cum Costs:	Re Drilling Drilling	**RD**Ported By **\$0 **586,2 **TVD	SCHLUME M	ICCURDY Progre	Completion Completion	\$1,723 \$233,608		Daily Well T	'otal	\$1,723 \$819,902 Visc	
10-04-2008 DailyCosts: Cum Costs:	Re Drilling Drilling 7,850	RD sported By \$0 \$586,2 TVD	M 294 7,850 PBTD: 7	Progres	Completion Completion	\$1,723 \$233,608 Days		Daily Well T	'otal 0.0	\$1,723 \$819,902 Visc	
10-04-2008 DailyCosts: Cum Costs: MD Formation: Activity at R	Re Drilling Drilling 7,850	RD sported By \$0 \$586,2 TVD ne: WO COM	94 7,850 PBTD: 7	Progres	Completion Completion	\$1,723 \$233,608 Days		Daily Well T	'otal 0.0	\$1,723 \$819,902 Visc	
10-04-2008 DailyCosts: Cum Costs: MD Formation: Activity at R	Re Drilling Drilling 7,850	RD sported By \$0 \$586,2 TVD ne: WO COM Hrs Act	SCHLUME 7,850 PBTD: 7 PLETION ivity Desc	Progres 7800.0	Completion Completion	\$1,723 \$233,608 Days Perf :	9	Daily Well T	otal 0.0 PKR De	\$1,723 \$819,902 Visc pth : 0.0	
10-04-2008 DailyCosts: Cum Costs: MD Formation: Activity at R Start	Re Drilling Drilling 7,850 Report Tin End 06:00	RD sported By \$0 \$586,2 TVD ne: WO COM Hrs Act	94 7,850 PBTD: 7 IPLETION ivity Desc	Progres 7800.0	Completion Completion ss 0	\$1,723 \$233,608 Days Perf :	9	Daily Well T	otal 0.0 PKR De	\$1,723 \$819,902 Visc pth : 0.0	
10-04-2008 DailyCosts: Cum Costs: MD Formation: Activity at R Start 06:00	Re Drilling Drilling 7,850 Report Tin End 06:00 Re	RD sported By \$0 \$586,2 TVD me: WO COM Hrs Act 24.0 NU	94 7,850 PBTD: 7 IPLETION ivity Desc	Progress 7800.0 eription C TREE. PR	Completion Completion ss 0 RESSURE TEST	\$1,723 \$233,608 Days Perf :	9	Daily Well T	Otal 0.0 PKR De	\$1,723 \$819,902 Visc pth : 0.0	
10-04-2008 DailyCosts: Cum Costs: MD Formation: Activity at R Start 06:00 10-08-2008	ReDrilling 7,850 Report Tine Cond 06:00 Re Drilling	RD sported By \$0 \$586,2 TVD me: WO COM Hrs Act 24.0 NU sported By	94 7,850 PBTD: 7 IPLETION ivity Desc	Progress 7800.0 eription C TREE. PR	Completion Completion ss 0	\$1,723 \$233,608 Days Perf:	9	Daily Well TMW	Otal 0.0 PKR De	\$1,723 \$819,902 Visc pth: 0.0	
10-04-2008 DailyCosts: Cum Costs: MD Formation: Activity at R Start 06:00 10-08-2008 DailyCosts:	ReDrilling 7,850 Report Tine Cond 06:00 Re Drilling	Ported By \$0 \$586,2 TVD me: WO COM Hrs Act 24.0 NU ported By \$0	94 7,850 PBTD: 7 IPLETION ivity Desc	Progress 7800.0 eription C TREE. PR	Completion Completion ss 0 RESSURE TEST Completion Completion	\$1,723 \$233,608 Days Perf: ED FRAC TREE \$27,760 \$261,368	9	Daily Well TMW MG TO 8500 F	Otal 0.0 PKR De	\$1,723 \$819,902 Visc pth : 0.0	
10-04-2008 DailyCosts: Cum Costs: MD Formation: Activity at R Start E 06:00 10-08-2008 DailyCosts: Cum Costs:	ReDrilling 7,850 Report Tine Cond 06:00 ReDrilling Drilling 7,850	## RD ## \$0	7,850 PBTD: 7 IPLETION ivity Desc 10M FRAC	Progres 2800.0 CTREE. PR ERN Progres	Completion Completion ss 0 RESSURE TEST Completion Completion	\$1,723 \$233,608 Days Perf: ED FRAC TREE	9 3 & CASI	Daily Well TMW NG TO 8500 F Daily Well T	Otal O.O PKR De	\$1,723 \$819,902 Visc pth: 0.0 COMPLETION. \$27,760 \$847,662 Visc	0.0

Start End Hrs Activity Description

06:00 06:00

24.0 RU CUTTERS WIRELINE & PERFORATE NH FROM 7488'-89', 7514'-15', 7525'-26', 7532'-33', 7564'-65', 7568'-69', 7599'-7600', 7604'-05', 7611'-12', 7616'-17', 7634'-35', 7648'-49' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 4172 GAL YF116 ST+ PAD, 45537 GAL YF116ST+ W/142900# 20/40 SAND @ 1-5 PPG. MTP 5575 PSIG. MTR 52.6 BPM. ATP 5114 PSIG. ATR 48.7 BPM. ISIP 2860 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7460'. PERFORATE NH FROM 7274'-75', 7294'-95', 7319'-20', 7326'-27', 7336'-37', 7351'-52', 7364'-65', 7370'-71', 7384'-85', 7390'-91', 7418'-19', 7437'-38' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 2067 GAL YF116 ST+ PAD, 43386 GAL YF116ST+ W/132500# 20/40 SAND @ 1-5 PPG. MTP 7374 PSIG. MTR 52.4 BPM. ATP 5067 PSIG. ATR 49.7 BPM. ISIP 2650 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7010'. PERFORATE Ba FROM 6747'-49', 6752'-53', 6766'-67', 6774'-75', 6803'-04', 6853'-54', 6904'-05', 6940'-41', 6959'-60', 6977'-78', 6987'-88' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/2050 GAL YF116 ST+ PAD, 40340 GAL YF116ST+ W/117400# 20/40 SAND @ 1-4 PPG. MTP 6777 PSIG. MTR 52.5 BPM. ATP 4575 PSIG. ATR 48.5 BPM. ISIP 1900 PSIG. RD SCHLUMBERGER. SDFN.

10-09-2008	Re	ported l	By K	ERN							
DailyCosts: D	rilling	\$	0	Con	npletion	\$292,045		Daily	Total	\$292,045	
Cum Costs: D	rilling	\$	586,294	Con	npletion	\$553,414		Well '	Total	\$1,139,708	
MD	7,850	TVD	7,850	Progress	0	Days	11	MW	0.0	Visc	0.0
Formation: WASATCH PBT			PBTD: 7	7800.0		Perf: 5401'-	7649'		PKR De	oth: 0.0	

Activity at Report Time: PREP TO MIRUSU

Start End Hrs Activity Description

06:00 06:00

24.0 RUWL. SET 6K CFP AT 6710'. PERFORATE Ba FROM 6499'-6500', 6530'-31', 6538'-39', 6542'-43', 6560'-61', 6584'-85', 6599'-6600', 6603'-04', 6624'-25', 6652'-53', 6684'-85', 6688'-89' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/2777 GAL YF116 ST+ PAD, 30640 GAL YF116ST+ W/90100# 20/40 SAND @ 1-4 PPG. MTP 6901 PSIG. MTR 52.6 BPM. ATP 4544 PSIG. ATR 49.5 BPM. ISIP 1400 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 6450'. PERFORATE Ba FROM 6331'-32', 6344'-46', 6349'-50', 6363'-64', 6367'-68', 6385'-86', 6393'-94', 6403'-04', 6413'-15', 6426'-27' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/2074 GAL YF116 ST+ PAD, 29466 GAL YF116ST+ W/89100# 20/40 SAND @ 1-4 PPG. MTP 7272 PSIG. MTR 54.5 BPM. ATP 4422 PSIG. ATR 51.5 BPM. ISIP 1500 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 6000'. PERFORATE Ca FROM 5827'-29', 5836'-38', 5844'-46', 5864'-66', 5902'-03', 5938'-39', 5957'-58', 5977'-78' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/2077 GAL YF116 ST+ PAD, 45333 GAL YF116ST+ W/133100# 20/40 SAND @ 1-4 PPG. MTP 7103 PSIG. MTR 40.4 BPM. ATP 3074 PSIG. ATR 38.2 BPM, ISIP 1750 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5550'. PERFORATE Pp FROM 5489'-91', 5493'-95', 5498'-5500', 5505'-07', 5509'-11', 5514'-16' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/2100 GAL YF116 ST+ PAD, 36642 GAL YF116ST+ W/108300# 20/40 SAND @ 1-4 PPG. MTP 3802 PSIG. MTR 37.1 BPM. ATP 2558 PSIG. ATR 35.6 BPM. ISIP 1950 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5470'. PERFORATE Pp FROM 5401'-03', 5417'-19', 5425'-27', 5435'-37', 5446'-48', 5452'-54' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/2085 GAL YF116 ST+ PAD, 49271 GAL YF116ST+ W/149900# 20/40 SAND @ 1-4 PPG. MTP 3841 PSIG. MTR 36.7 BPM. ATP 2943 PSIG. ATR 34.6 BPM. ISIP 2250 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CBP AT 5316'. RDWL. SDFN.

POWELL 10-10-2008 Reported By DailyCosts: Drilling \$0 \$7,639 **Daily Total** \$7,639 Completion **Cum Costs: Drilling** \$586,294 Completion \$561,053 Well Total \$1,147,347 0.0 MD 7,850 **TVD** 7,850 0 12 MW0.0 Visc **Progress** Davs **PBTD:** 7800.0 Perf: 5401'-7649' PKR Depth: 0.0 Formation: WASATCH Activity at Report Time: CLEAN OUT AFTER FRAC Start End Hrs **Activity Description** 07:00 17:00 10.0 MIRUSU. ND TREE. NU BOPE. RIH W/ BIT & PUMP OFF SUB TO 5316'. RU TO DRILL OUT PLUGS. SDFN. HOOLEY 10-11-2008 Reported By \$0 \$11,431 **DailyCosts: Drilling** Completion **Daily Total** \$11,431 \$586,294 \$1,158,778 **Cum Costs: Drilling** Completion \$572,484 Well Total 7,850 7,850 0 13 MW 0.0 0.0 MD TVD **Progress** Days Visc Formation: WASATCH **PBTD:** 7800.0 Perf: 5401'-7649' PKR Depth: 0.0 Activity at Report Time: CLEAN OUT AFTER FRAC Start End Hrs **Activity Description** 14.0 SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 5316', 5470', 5550', 6000', 6450', 6710', 7010' AND 06:00 20:00 7460', RIH, CLEANED OUT TO 7727'. CIRCULATED HOLE CLEAN. PULLED ABOVE PERFS. SDFN. HOOLEY Reported By 10-12-2008 \$0 \$7,357 \$7,357 DailyCosts: Drilling Completion **Daily Total** Well Total \$586,294 Completion \$579,841 \$1,166,135 **Cum Costs: Drilling** 0.0 14 0.0 MD 7,850 TVD 7,850 **Progress** Days MWVisc Formation: WASATCH **PBTD:** 7800.0 Perf: 5401'-7649' PKR Depth: 0.0 Activity at Report Time: FLOW TEST. Start End Hrs **Activity Description** 24.0 SICP 800 PSIG. RIH. LANDED TBG @ 7097' KB, ND BOPE. NU TREE. PUMPED OFF BIT AND SUB. RDMOSU. 06:00 06:00 FLOWED 21 HRS. 32/64" CHOKE. FTP 500 PSIG, CP 1125 PSIG. 45 BFPH. RECOVERED 1015 BLW. 8292 BLWTR. TUBING DETAIL LENGTH PUMP OFF SUB 0.91' 1 JT 2-3/8 4.7# N-80 'A' TBG 31.86' XN NIPPLE 1.10' 223 JTS 2-3/8 4.7# N-80 'A' TBG 7050.08' BELOW KB 13.00' LANDED @ 7096.95' KB HOOLEY 10-13-2008 Reported By \$0 \$2,300 **Daily Total** \$2,300 DailyCosts: Drilling Completion \$586,294 \$582,141 Well Total \$1,168,435 **Cum Costs: Drilling** Completion 7,850 TVD 7,850 0 15 MW Visc 0.0 MD **Progress** Days Formation: WASATCH **PBTD:** 7800.0 Perf: 5401'-7649' PKR Depth: 0.0 Activity at Report Time: FLOW TEST.

06:00	06:00			IRS. 32/64 CHO OOLEY	KE. FTP 5	500 PSIG. CP 10	00 PSIG.	18 BFPH. RE	COVERED	747 BLW. 7545	BLWTR
10-14-20		eported By	п								
DailyCost	s: Drilling	\$0		Con	npletion	\$2,300		Daily	Total	\$2,300	
Cum Cost	s: Drilling	\$586,2	294	Con	pletion	\$584,441		Well 7	Total	\$1,170,735	
MD	7,850	TVD	7,850	Progress	0	Days	16	MW	0.0	Visc	0.0
Formation	ı: WASATC	Н	PBTD : 7	800.0		Perf: 5401'-	-7649'		PKR De _l	pth: 0.0	
Activity a	t Report Ti	me: PUT WE	LL TO SAL	ES.							
Start	End	Hrs Act	tivity Desc	ription							
06:00	06:00			RS. 32/64 CHO N. WAIT ON FA		100 PSIG. CP 92:	5 PSIG. 5	BFPH. RECO	OVERED 21	6 BLW. 7329 B	LWTR.

Form 3160-4 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0137 Expires: July 31, 2010

			DUKEAU	J OF LE	TIAD MIVIA	AOLMI	71 N I								
	WELL C	OMPL	ETION O	R REC	COMPLE	TION	REPOR	RT A	ND L	OG			ase Serial N TU0281	lo.	-
1a. Type of		Oil Well	⊠ Gas \			Other						6. If	Indian, Allo	ttee or	Tribe Name
b. Type of	f Completion		ew Well 	☐ Work	COver [] Deeper	п 🗖 Р	lug E	Back	☐ Diff, R	esvr.	7. Uı C	nit or CA Ag HAPITA W	 greeme ELLS	ent Name and No.
2. Name of	Operator	 S. INC.	E	-Mail: M	Contac ICKENZIE	t: MICKE	NZIE TH	HACK GRE	(ER SOUR(CES.COM		8. Le	ase Name a	nd We	
	1060 E. H VERNAL,	WY 40				3		No.	(include	area code)		9. Al	PI Well No.		43-047-39937
4. Location	of Well (Re			d in acco	ordance with	Federal ı	equireme	nts)*					ield and Poo		
At surfa	ice SWSW	/ 868FSL	503FWL 4	0.06019	N Lat, 109	.43377 \	V Lon					11. S	ec., T., R., 1	M., or	Block and Survey
At top p	orod interval r	eported be	low SWS	SW 868F	SL 503FW	'L 40.060	019 N La	t, 109	9.43377	7 W Lon			r Area Sec County or Pa		S R22E Mer SLB
At total		SW 868F		_	19 N Lat, 1	09.4337			1.	1		U	INTÁH		UT
14. Date S ₁ 08/12/2	pudded 2008			te T.D. I /09/2008					omplete 2 008	d Ready to P	rod.	17. E		6 GL	3, RT, GL)*
18. Total D	Depth:	MD TVD	7850		19. Plug Ba	ck T.D.:	MD TVI		780	00	20. Dep	oth Brid	dge Plug Set	: !	MD TVD
21. Type E RST/CI	lectric & Oth BL/CCL/VDI	er Mechan _/GR	ical Logs R	un (Subm	nit copy of e	ach)					vell cored OST run? tional Su		⊠ No [] Yes	(Submit analysis) (Submit analysis) (Submit analysis)
23. Casing a	nd Liner Reco	ord <i>(Repo</i> r	rt all strings	set in we	ell)					2		,.			
Hole Size	Size/G	rade	Wt. (#/ft.)	Top (MD)			ge Cemen Depth	iter		f Sks. & f Cement	Slurry (BB		Cement T	op*	Amount Pulled
12.250		325 J-55	36.0			2536		+		650	1			0	
7.875	4.50	<u>0 P-110</u>	11.6			7844		+		1270	_			1210	
	1							_		·					
24. Tubing Size	Depth Set (M	4D) - Bo	cker Depth	(MD)	Size	Depth Se	(MD)	Pac	kar Der	oth (MD)	Size	T De	pth Set (MI	νŦ.	Packer Depth (MD)
2.375		7097	ckei Depili	(IVID)	Size	<u>Берш ве</u>	. (IVID)	rac	KCI DCL	m (MD)	Size		pui sei (ML	<u>"</u>	Tacker Beptif (MB)
25. Produci	ng Intervals					26. Per	oration R	ecorc	1						
	ormation		Тор		Bottom		Perforat				Size	1	No. Holes		Perf. Status
A)	WASA	ATCH		5401	7649				7488 TO			-	3		
B)						<u> </u>				O 7438 O 6988		+	3		
<u>C)</u> D)				-+						O 6689		+	3		
	racture, Treat	ment, Cen	ent Squeeze	e, Etc.					0-100-1	0 00001	··· ·· ·		<u> </u>		
	Depth Interva									Type of M	[aterial				
				_	GELLED W										
			_		GELLED W										
 					GELLED W										
28 Product	ion - Interval		89 33,417	JALS OF	GELLED W	AIEN 90,	100# 20/4	U SAI	<u> </u>						
Date First	Test	Hours	Test	Oil	Gas	Water	O	il Grav	ity	Gas		Producti	ion Method		
Produced 11/07/2008	Date 11/10/2008	Tested 24	Production	BBL 8.0	MCF 776.0	BBL 9	0.0	orr. AP	Ī	Gravit	′		FLOW	S FBC	OM WELL
Choke	Tbg. Press.	Csg.	24 Hr.	Oil	Gas	Water	G	as:Oil		Well S	atus		. 2011		
Size 12/64	Flwg. 1175 SI		Rate	BBL 8	MCF 776	BBL	90 R	atio		F	œW				
	tion - Interva			<u>_</u>			<u> </u>								-
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL		il Grav orr. AP		Gas Gravit	,	Producti	on Method		
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL		as:Oil atio		Well S	tatus				

(See Instructions and spaces for additional data on reverse side)
ELECTRONIC SUBMISSION #65361 VERIFIED BY THE BLM WELL INFORMATION SYSTEM
** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

28b. Produ	uction - Interv	al C										
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Grav				
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well	I Status	tatus		
28c. Produ	action - Interv	al D		<u></u>		•						
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Grav	Gravity Production Method			
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well	Well Status			
	sition of Gas(S	sold, used fo	or fuel, vent	ed, etc.)	•	-						
SOLD	ary of Porous	Zones (Incl	ude Aquife	re)·					31 For	mation (Log) Mar	kers	
Show tests, i	all important 2	zones of poi	rosity and c	ontents there	eof: Cored in tool open,	ntervals and flowing and	all drill-stem shut-in pressu	ires		(208)		
Formation Top			Top	Bottom		Descriptions, Contents, etc.				Name Meas.		Top Meas. Depth
WASATCH 5401 7649 32. Additional remarks (include plugging procedure):								MA UT WA CH BU	EEN RIVER HOGANY ELAND BUTTE SATCH APITA WELLS CK CANYON ICE RIVER		2009 2637 4887 5031 5629 6316 7663	
33. Circle enclosed attachments: 1. Electrical/Mechanical Logs (1 full set req'd.) 2. Geologic Report 5. Sundry Notice for plugging and cement verification 6. Core Analysis									3. DST Report4. Directional Survey7 Other:			
	·											
			Elect	ronic Subm Fo	ission #653	- 361 Verified	by the BLM , INC., sent to	Well Inform the Verna	nation Sys l		hed instructio	ns):
Name (please print) MICKENZIE THACKER Title OPERATIONS CLERK												
Signat	rure <u>W</u>	about	Aubmiss	May	<u>u(·)</u>		Date	12/09/200)8			
		•			\cup							

Chapita Wells Unit 741-03 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

6331-6427	3/spf
5827-5978	3/spf
5489-5516	3/spf
5401-5454	3/spf

27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

6331-6427	31,540 GALS GELLED WATER & 89,100# 20/40 SAND
5827-5978	47,410 GALS GELLED WATER & 133,100# 20/40 SAND
5489-5516	38,742 GALS GELLED WATER & 108,300# 20/40 SAND
5401-5454	51,356 GALS GELLED WATER & 149,900# 20/40 SAND

Perforated the North Horn from 7488'-89', 7514'-15', 7525'-26', 7532'-33', 7564'-65', 7568'-69', 7599'-7600', 7604'-05', 7611'-12', 7616'-17', 7634'-35', 7648'-49' w/ 3 spf.

Perforated the North Horn from 7274'-75', 7294'-95', 7319'-20', 7326'-27', 7336'-37', 7351'-52', 7364'-65', 7370'-71', 7384'-85', 7390'-91', 7418'-19', 7437'-38' w/ 3 spf.

Perforated the Ba from 6747'-49', 6752'-53', 6766'-67', 6774'-75', 6803'-04', 6853'-54', 6904'-05', 6940'-41', 6959'-60', 6977'-78', 6987'-88' w/ 3 spf.

Perforated the Ba from 6499'-6500', 6530'-31', 6538'-39', 6542'-43', 6560'-61', 6584'-85', 6599'-6600', 6603'-04', 6624'-25', 6652'-53', 6684'-85', 6688'-89' w/ 3 spf.

Perforated the Ba from 6331'-32', 6344'-46', 6349'-50', 6363'-64', 6367'-68', 6385'-86', 6393'-94', 6403'-04', 6413'-15', 6426'-27' w/ 3 spf.

Perforated the Ca from 5827'-29', 5836'-38', 5844'-46', 5864'-66', 5902'-03', 5938'-39', 5957'-58', 5977'-78' w/ 3 spf.

Perforated the Pp from 5489'-91', 5493'-95', 5498'-5500', 5505'-07', 5509'-11', 5514'-16' w/ 3 spf.

Perforated the Pp from 5401'-03', 5417'-19', 5425'-27', 5435'-37', 5446'-48', 5452'-54' w/ 3 spf.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

REPORT OF WATER ENCOUNTERED DURING DRILLING

API number: 4304739937 Well Location: QQ SWSW Section 3	Well name and	Inumber CWI	U 741-03						
Well Location: QQ SWSW Section 3 Township 9S Range 22E County UINTAH Well operator: EOG							_		
Mell operator: EOG			ction 3	Township ^{9S} Range	22E	Coun	_{ity} UINTAH		
Address: 1060 E HWY 40 city VERNAL state UT zip 84078 Phone: (435) 781-9111 Drilling contractor: CRAIGS ROUSTABOUT SERVICE Address: PO BOX 41						_			
City VERNAL State UT Zip 84078 Phone: (435) 781-9111				_					
Drilling contractor: CRAIGS ROUSTABOUT SERVICE	Address.			atata UT = in 84078			Phone: (435) 781-9111		
Address: PO BOX 41 city JENSEN state UT zip 84035 Phone: (435) 781-1366 Water encountered (attach additional pages as needed): DEPTH	Dalli				_	FIIC	ne. <u>(118-7) </u>		
DEPTH VOLUME QUALITY FROM TO (FLOW RATE OR HEAD) (FRESH OR SALTY) NO WATER FLUID DRILLED HOLE			1000171000						
DEPTH	Address:			IIT . 84025	_	(/25) 781 1266			
DEPTH					_	Pho	one: (403) 701 1000		
From TO (FLOW RATE OR HEAD) (FRESH OR SALTY) NO WATER FLUID DRILLED HOLE Formation tops: (Top to Bottom) 4 5 6 7 8 9 10 11 12 12	Water encount	ered (attach ac	dditional page	es as needed):					
NO WATER FLUID DRILLED HOLE		DEP	YTH	VOLUME			QUALITY		
Formation tops: (Top to Bottom) 4		FROM	ТО			1			
(Top to Bottom) 5 6 7 8 9 10 11 32				NO WATER			FLUID DRILLED HOLE		
(Top to Bottom) 5 6 7 8 9 10 11 32									
(Top to Bottom) 5 6 7 8 9 10 11 32	_								
(Top to Bottom) 5 6 7 8 9 10 11 32									
(Top to Bottom) 5 6 7 8 9 10 11 32									
(Top to Bottom) 5 6 7 8 9 10 11 32	}								
(Top to Bottom) 5 6 7 8 9 10 11 32	L								
(Top to Bottom) 5 6 7 8 9 10 11 32	Fannation tone			2			2		
7 8 9 10 11 12					<u>-</u>				
10 11 12		7							
		1.0 1.0		-					
If an analysis has been made of the water encountered, please attach a copy of the report to this form.									
	If an analysis h	nas been made	of the water	encountered, please at	tach a d	copy of	f the report to this form.		
	·					. •	·		
I hereby certify that this report is true and complete to the best of my knowledge.	I hereby certify th	hat this report is t	rue and comple	ete to the best of my knowle	dge.				
NAME (PLEASE PRINT) Mickenzie Thacker TITLE Operations Clerk	NAME (PLEASE PRINT) Mickenzie Thacker					Oper	Operations Clerk		
SIGNATURE WIGHTH THACK) DATE 12/8/2008	MA interest in The action					12/8/	12/8/2008		
(5/2000)			,						

	STATE OF UTAH		FORM 9				
	DEPARTMENT OF NATURAL RESOUR DIVISION OF OIL, GAS, AND M		5.LEASE DESIGNATION AND SERIAL NUMBER: UTU0281				
SUND	RY NOTICES AND REPORTS	S ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:				
	sals to drill new wells, significantly deepe igged wells, or to drill horizontal laterals.		7.UNIT or CA AGREEMENT NAME: CHAPITA WELLS				
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: CWU 741-03				
2. NAME OF OPERATOR: EOG Resources, Inc.			9. API NUMBER: 43047399370000				
3. ADDRESS OF OPERATOR: 600 17th Street, Suite 1000 N	I , Denver, CO, 80202 4	PHONE NUMBER: 35 781-9111 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES				
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0868 FSL 0503 FWL			COUNTY: UINTAH				
QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: SWSW Section: 03	rp, range, meridian: 3 Township: 09.0S Range: 22.0E Meridian	n: S	STATE: UTAH				
11. CHE	CK APPROPRIATE BOXES TO INDICA	ATE NATURE OF NOTICE, REP	ORT, OR OTHER DATA				
TYPE OF SUBMISSION		TYPE OF ACTION					
	☐ ACIDIZE	ALTER CASING	☐ CASING REPAIR				
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME				
✓ SUBSEQUENT REPORT	☐ CHANGE WELL STATUS	COMMINGLE PRODUCING FORMAT	TIONS CONVERT WELL TYPE				
Date of Work Completion:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION				
12/10/2003	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK				
SPUD REPORT Date of Spud:	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION				
	☐ REPERFORATE CURRENT FORMATION ☐ TUBING REPAIR		☐ TEMPORARY ABANDON ☐ WATER DISPOSAL				
☐ DRILLING REPORT	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION				
Report Date:	☐ WILDCAT WELL DETERMINATION	✓ OTHER					
			OTHER: Pit closure				
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. The reserve pit on the referenced location was closed on 12/16/2009 as per the APD procedure. Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY FOR RECORD ONLY NAME (PLEASE PRINT) PHONE NUMBER TITLE							
Mary Maestas	303 824-5526	Regulatory Assistant					
SIGNATURE N/A		DATE 2/3/2010					